Daily Report

Latin America

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Cuba

Reportage on Soviet Coup, Leadership Change

Declaration Transfers Power

FL1908120791 Havana Tele Rebelde Network in Spanish 1100 GMT 19 Aug 91

[Text] Last minute reports are broadcasting a declaration made by the Soviet Emergency Council on the country's emergency situation. The declaration announces the decision to transfer the USSR's presidential powers to Vice President Gennadiy Yanayev. According to the announcement, the decision was taken due to Mikhail Gorbachev's inability to fulfill the duty of president of the USSR.

The announcement literally says that this measure was taken with the purpose of overcoming the deep and complex crisis; ethnic, civil, and political clashes, and chaos and anarchy that threatens the life and safety of all Soviet citizens, the sovereignty, territorial integrity, liberty, and independence of the motherland. Further details will be made available in following newscasts.

Government Maintains Silence

PA1908170791 Mexico City NOTIMEX in Spanish 1558 GMT 19 Aug 91

[Text] Havana, 19 Aug (NOTIMEX)—The Cuban Government has maintained a cautious silence following the removal of Mikhail Gorbachev as president of the Soviet Union—Cuba's ally and main commercial partner.

More than 12 hours after Gorbachev was replaced by the Soviet leadership, a source from the Cuban Foreign Ministry told NOTIMEX that there is no official reaction yet.

The source said that "we will have to wait" before announcing Cuba's official position because "the situation is still unclear" in the USSR.

The daily GRANMA (the official newspaper of the Communist Party of Cuba) today published a report in the lower part of its front page on Gorbachev's replacement by Gennadiy Yanayev, citing the official announcement made by the official Soviet news agency TASS.

Under the title "Yanayev Assumes Presidential Duties in the USSR," GRANMA reproduced the official bulletin divulged early today by the "Soviet leadership" announcing Mikhail Gorbachev's replacement.

Official radio stations and the local (state run) television in its "Revista de la Mañana" morning newscast reported the change in the Soviet leadership by reproducing—same as GRANMA—the version transmitted by TASS.

Since very early this morning, Cubans have been tuning in short wave radio stations to obtain more information on the current situation in the Soviet Union, as future developments will directly affect the island's economic life.

The USSR is Cuba's main commercial partner, with which it conducts approximately 80 percent of its trade and from which it receives most of the oil it requires for its industrial activities.

During the past year Cuba's President Fidel Castro repeatedly said in several of his speeches that he could not rule out the possibility that problems in the USSR could lead to a civil confrontation as a result of ethnic struggles.

Government Refuses To Comment

PA1908192491 Madrid EFE in Spanish 1652 GMT 19 Aug 91

[Text] Havana, 19 Aug (EFE)—The Cuban Foreign Ministry said that "right now" there is no official reaction; the USSR Embassy is "studying the situation;" Western diplomats are "shocked," and the general impression is that all of Cuba is holding its breath in light of what happened in the USSR on 19 August.

The television reported this morning, several hours late, Soviet President Mikhail Gorbachev's ousting by a State Emergency Committee, repeating TASS's official version, reported by the Cuban news agency PRENSA LATINA.

Citing these sources, the state-run television announcer stressed that the takeover by Vice President Gennadiy Yanayev was aimed at ending the chaos that "threatened to destroy the nation" and "the devastating economic crisis."

GRANMA, the Communist Party of Cuba's mouthpiece, published the news on its front page, under the subhead "Last Minute News," with the headline "Yanayev Assumes Presidential Tasks in the USSR," followed by the complete text of TASS's cable in which the "State Emergency Committee's" communique is reported.

When questionned by EFE about the consequences of the changes in the USSR Government to Soviet-Cuban relations, the Cuban Foreign Ministry simply stated "there is no official reaction at the moment."

The Soviet Embassy press office in Havana—whose ambassador, Yuriy Petrov, returned to the USSR last week—when asked the same question, answered that "we are studying the situation and possibly in a few hours we will be able to give an opinion on how Soviet-Cuban relations will be affected by the new situation."

Western diplomats consulted by EFE believe that if a return to an "orthodox" Marxism takes place in the USSR, it would be favorable to the current Cuban Government, whose attachment to the traditional forms of communism is summarized in its well known motto of "Socialism or death."

These same European diplomats said that possibly the Cuban authorities' official reaction would not take place until the new situation and power structure in the USSR is totally decided.

The USSR is the main political and economic partner of Cuba, and its internal crisis and transition to a market economy had created increasing difficulties to the Cuban economy when it substituted fixed economic exchange for international market relationships.

On the other hand, Soviet journalists accredited in Havana who spoke with the EFE news agency and who clearly support "perestroyka," expressed their concern by what they described as "a reactionary state overthrow," which in their opinion "will lead the USSR to civil war."

Cuban officials with whom EFE had an opportunity to talk to during the past months on the possibility of a perestroyka "braking" in the USSR, mostly stated their belief that the Soviet military would eventually take over control in the USSR to avoid a national disintegration.

Unofficially, and without making their statements sound like an official endorsement, the officials always hinted that this situation would be favorable to Cuban-Soviet relations, even though the Cuban Government always officially stated its respect for the now deposed President Gorbachev.

Reports Yanayev News Conference

FL1908195091 Havana Radio Reloj Network in Spanish 1902 GMT 19 Aug 91

[Text] Press sources have reported that acting USSR President Gennadiy Yanayev said today that the New Union Treaty, which should have been signed tomorrow, will be subjected to a broad discussion. During a news conference in Moscow, he said the leaders of the new Soviet republics showed support to the new organ that declared itself responsible for the future of the country vis-a-vis the current socioeconomic crisis. Yanayev stated that the New Union Treaty will be submitted to the consideration of the entire population after reiterating it will respect the will of the people. He said this responding to a question posed regarding the Baltic Republics which refuse to participate in the signing of the treaty, the sources added.

On the other hand, the State Committee for State of Emergency agreed on the adoption of measures which includes a special regime in Moscow and the areas with extraordinary situations although it was not specified to the press which areas are subjected to this situation.

Acting USSR President Gennadiy Yanayev said: The solution to the food and housing problems will be our main task. He added that the way in which the New Union Treaty is going to be discussed is yet to be determined.

According to press sources, A. Yakovlev, deputy chairman of the All-Union Central Council of Trade Unions, noted that there were more questions than answers in the document that was about to be signed by representatives of the Republics. He added that he was not confident that the way the treaty is worded now could be understood and interpreted correctly. Therefore, the Council of the Federation proposed that a group of experts be created to assess its socioeconomic consequences.

As a result of the creation of the State Committee for State of Emergency in the USSR, the president of Georgia, the Presidium of the Supreme Soviet, and the government of that Republic, stated that peace, order, and discipline needs to be maintained.

More on News Conference

FL1908211791 Havana Radio Reloj Network in Spanish 1846 GMT 19 Aug 91

[Text] Today, acting USSR President Gennadiy Yanayev said the head of state Mikhail Gorbachev is resting in Crimea and did not rule out the possibility of Gorbachev returning to power. During a news conference held to explain the changes that took place this morning, Yanayev said Gorbachev is very tired and incapable of overseeing the Soviet state.

Yanayev characterized the general strike called on by Russian President Yeltsin as an irresponsible act and an attempt to carry out political games in the midst of a difficult situation in the country. Yanayev stated that the decision of declaring a six-month state of emergency in some regions of the Soviet Union was caused by the difficult situation existing in the USSR and the dead end juncture created by the reforms.

Temporary Press Restrictions Noted

FL1908205291 Havana Radio Reloj Network in Spanish 1845 GMT 19 Aug 91

[Text] According to official sources, the emergency council formed today in the Soviet Union has arranged for the temporary restriction of the publication of central, city, and regional Muscovite newspapers.

TASS NEWS AGENCY reported that beginning today the following newspapers will continue to be printed: TRUD, RABOCHAYA TRIBUNA, IZVESTIYA, PRAVDA, KRASNAYA ZVEZDA, SOVETSKAYA ROSSIYA, as well as Moscow's PRAVDA, LENINSKOYE ZNAMYA, and SELSKAYA ZHIZN.

The decree added that the decision to renew the circulation of other publications will be reviewed by a special press body created by the emergency committee. The Soviet parliament will hold a special session on 26 August to analyze the ratification of the state of emergency announced to the country this morning.

Bush Reacts to Changes

FL1908221091 Havana Radio Reloj Network in Spanish 1923 GMT 19 Aug 91

[Text] Today, U.S. President George Bush stated that he is following closely the changes taking place in the Soviet Union, where a State Committee for State of Emergency assumed control of the country. In a statement made from his summer home, Bush said these events could have grave consequences for the Soviet Union and other countries, including the United States, if the reform process begun by Gorbachev is stopped.

The State Committee for the State of Emergency, headed by interim President Gennadiy Yanayev, sent a communique to heads of state and government and UN Secretary General Javier Perez de Cuellar. The document asserts that the changes made this morning are in line with the Soviet Constitution and do not mean that the major reforms taken place in the Soviet Union will be discarded.

Reporter: Events 'Contradictory'

PA1908223191 Mexico City NOTIMEX in Spanish 2119 GMT 19 Aug 91

[Text] Havana, 19 Aug (NOTIMEX)—The situation in Moscow, following the overthrow of Mikhail Gorbachev as president of the Soviet Union, is "contradictory," according to the official Cuban agency PRENSA LATINA correspondent's report from Moscow.

Miguel Lozano, PRENSA LATINA correspondent in Moscow, told Cuban radio services by telephone that "thousands of persons" were gathered tonight in the downtown sector of the Soviet capital where, he said, "they criticized the steps taken by the Soviet authorities."

The correspondent said that the demonstrators are gathered near the Red Square and have expressed their support for the call to a general strike made by Russian President Boris Yeltsin after Gorbachev was deposed.

He noted, however, that in the rest of Moscow the markets are open and public transportation service is operating normally. The situation in the Soviet capital was described by the correspondent as one of "tense calm." He said that the people are in a state of "uncertainty."

The PRENSA LATINA radiophonic service confirmed that deposed President Gorbachev is in his vacation home in Crimea. This was announced by Gennadiy Yanayev, who assumed the post of president of the Soviet Union, in a news conference.

According to the PRENSA LATINA radiophonic service, Yanayev said that Gorbachev is suffering from a "critical fatigue" after having headed for six years the process of reforms in the Soviet Union.

Commentary Views 'Domestic Affair'

FL1908135391 Havana Radio Rebelde Network in Spanish 1155 GMT 19 Aug 91

["Our Opinion" commentary by Orlando Contreras—live]

[Excerpt] I believe that the first conclusion that can be drawn from the events that started early today in the Soviet Union, and which we have promptly reported, is that in accordance with international rights, the USSR Constitution, and the UN Charter, it is the Soviet Union's domestic affair. It is the Soviet's exclusive responsibility to find the solutions that will better serve the interests of the Soviet people in accordance with their laws and national sovereign rights.

Briefly, the sequence of events is as follows: USSR Vice President Gennadiy Yanayev has assumed the post of interim president in accordance with Paragraph 7, Article 127 of the Soviet Constitution. According to a declaration made by the USSR State Committee for Emergency Situations, this action was taken due to the inability, due to health reasons, of Mikhail Gorbachev to fulfill his duties as president of the USSR. [passage omitted]

Commentary on 'Internal Affair'

FL2008133491 Havana Radio Rebelde Network in Spanish 1155 GMT 20 Aug 91

["Our Opinion" commentary]

[Text] The international community is reacting with apparent calmness to the events in the Soviet Union, accepting—to judge by the moderate tone of the official reactions—that this is an internal affair of a sovereign country. In this regard, the position of the Chinese Government as expressed by its Foreign Ministry was categorical. A dispatch issued in Peking—or Beijing, according to the new phonetics—says that China hopes that the Soviet Union will be able to resolve its problems on its own, and reaffirms its position against any interference in the internal affairs of other countries. The Chinese Foreign Ministry states that the changes that have taken place in the Soviet Union are part of its internal affairs.

The official note, distributed by the XINHUA agency and picked up by PRENSA LATINA in Beijing, says that the Chinese Government's position is one of opposition to interference in the internal affairs of other countries, and calls for respect for other nations' choices. The Chinese Foreign Ministry note adds: We hope and believe that the Soviet people will be able to overcome their difficulties, resolve their problems by themselves, maintain political stability, and achieve economic development.

For their part, the EC foreign ministers will meet today to evaluate their relations with the Soviet Union and come to conclusions about the situation. French President Francois Mitterrand was categorical and concise in

describing the situation in the Soviet Union, including the changes in the government, as an internal affair of that country.

I think the UN Charter as well as the fundamental points of international law, which govern relations between nations, are clear enough in this regard. They all uphold the principle of nonintervention and noninterference in the internal affairs of the member nations. Each country is sovereign in deciding its own fate, taking on the forms of government they feel are appropriate, and choosing the political, economic, and social models they feel are fitting, in accordance with their situation and sovereign determination.

It has been demonstrated that the practice of hegemonic political positions, foreign intervention, and interference in the internal affairs of other nations does not serve the interests of the international community nor the UN member countries, but rather the spurious minority interests of those who have practiced or practice them, against the grain of history and the signs of the times.

Alarcon Denounces U.S. Blockade, Seeks UN Help

FL1908151891 Havana Radio Reloj Network in Spanish 1429 GMT 19 Aug 91

[Text] Ricardo Alarcon, Cuban ambassador to the United Nations, has said that the Cuban Government has asked the United Nations to discuss during the next general assembly the end to the economic, commercial, and financial blockade of the United States against Cuba. The Cuban diplomat said that the U.S. Government has for over 30 years conducted an aggressive policy against Cuba with the final purpose of dictating a social and economic system to benefit U.S. interests. Alarcon de Quesada also said that the U.S. blockade against Cuba is a flagrant violation of international equal sovereignty principles and non-intervention rights. For these reasons, the Cuban Government requests that the UN General Assembly give priority to the discussion of this issue during its 48th period of sessions.

Commentary on U.S. Latin American Policies

PA1908213491 Havana Radio Havana Cuba in Spanish 0100 GMT 16 Aug 91

["Our America" station commentary by Marcolo Ortega]

[Text] Although it is an inevitable requisite for alleviating the burden of their economies in crisis, the integration proposed by the Latin American presidents at the Guadalajara Summit is something that concerns the Bush administration because it forewarns of the possible failure of its economic policy toward the area.

The much-spoken-of Initiative for the Americas and its key point, free trade, is the current banner the U.S. Government is waving at its southern neighbors—not for their benefit but because, among other things, it analyzes the future loss of a profitable market. However, the Central and South American countries have started taking steps for mutual collaboration. Although they are slow, everything seems to indicate that integration might be a project that may mature and bear fruit over a moderate time.

Now that we are talking about those affairs, it is timely to say that, as everyone knows, the United States was neither invited nor expected at the Guadalajara Summit. Perhaps Washington felt a bit resentful because of that fact and decided to send some of its high-ranking officials to Latin and Central American countries to learn of the local authorities' decisions. Above all, Washington wanted to make some new proposals for some basic aspects of the Initiative for the Americas.

In that context, we have the recent tour through South American and Caribbean countries by Dan Quayle, the White House's number two official, and another more recent tour by the U.S. Trade Representative Carla Hills. Although some U.S. officials said that they did not expect anything special from Hills' tour, it is known that she insisted, particularly in the Central American area, on the formation of a subregional bloc to sign free trade agreements such as the one her country is negotiating with Mexico.

Some analysts believe that it would be easier for the United States to negotiate with Central America as a bloc rather than separately with each country. The region as a whole is more attractive, commercially speaking, than it is country by country, in which case Washington would be forced to give attention in accordance to each government's proposals.

Hills' thesis contrasts with the theses that were until recently supported by several governments, such as those of Costa Rica and Honduras. They said that if a free trade agreement was negotiated with North America, it had to be bilateral so that each country had the freedom to do it in accordance with its own interests.

In making recommendations, the U.S. trade representative demanded that the Central American governments carry out internal reforms to guarantee a broad access to the market of services, efficient protection to foreign investments, and special care for the investors' patent rights. Carla Hills also warned that the negotiations between Central America and the United States for a future free trade agreement will not prosper unless the government policies that could undermine the agreements are modified and replaced. These include, among others, state commerce, restrictions based on the balance of payment, and controls on the use of foreign currencies.

Everything seems to indicate that the U.S. Government believes that if the Latin American countries integrate, they should do it for the benefit of U.S. interests. But the countries' economic unification can only be achieved under the idea of serving those who have always been pressured, by the powerful northern neighbor, and have never been in its favor.

Antigua and Barbuda

Former Opposition Leader Resigns From UNDP

FL1708005891 Bridgetown CANA in English 2121 GMT 16 Aug 91

[Text] St. John's, Antigua, Aug 16, CANA—The former leader of Antigua and Barbuda's opposition United National Democratic Party (UNDP), Dr. Ivor Heath, has resigned from the party. In a letter to the secretary of the UNDP, Heath said he was resigning from the party effective Thursday. He did not give any reason. But in an interview with CANA, Heath said he was leaving the party because he was not happy with the influence the Antigua Workers Union (AWU) appears to have over the UNDP.

"...For the last three months since Baldwin (Spencer) took over the party, I've sat on the sidelines and looked at the direction at which the party was going. I am not happy with what I am seeing, and therefore, I've decided to let go from that party. I think the party is now being controlled by the AWU," said Heath. The AWU is the union arm of the Progressive Labour Movement (PLM) of former Premier George Walter.

Two political parties—the United Peoples Movement (UPM), and the United National Democratic Party (UNDP), emerged from the PLM. Heath, who was voted from the UNDP leadership at the party's annual convention earlier this year, and replaced by its only sitting memeber of Parliament, said he had no grievances with the AWU, but he wanted only the support of the union, not its domination of the UNDP.

"I think that it's important for a political party to have the support of a union, but I don't think it should be controlled by a union. I think those days have gone."

Heath is showing interest in an organization calling itself "A Group of Concerned People," now looking at the possibility of forming a new political party. He said he had no intention of leading another political party in the country, but he will certainly advise the group.

"I just want to be an elderly observer. I've given all the directions I can already. I think that I want to see the young people in Antigua become involved in the political process," Heath remarked.

Political Party Formulates List of Principles

FL1708010991 Bridgetown CANA in English 2157 GMT 16 Aug 91

[Text] St. John's, Antigua, Aug 16, CANA—An organization here calling itself "A Group of Concerned People," have formulated a list of principles, aims, and objectives for the basis of a new political party. At a meeting Thursday night in St. John's to assess the public's response to the idea of a new political party, the group said it was still not certain about the plan. "We are still not 100 percent sure. We hope when we meet again, we will be able to elect an interim body to manage the affairs of the group until we can hold a convention to formally launch a political party," said Sylvester Brown, one of the coordinators of the group.

Brown said he was very encouraged by the presence of many young people at Thursday night's meeting, implying that there is movement towards change in the political structure of the country. He said copies of the group's aims and objectives, as well as a questionnaire, were distributed at the meeting, "and this should help to decide the future of the group."

The group's aims and objectives states: "Our organization pledges itself to maintain a just legal system, to operate along sound democratic lines, constantly promoting and upholding human rights and dignity, and is firmly committed to raising the moral and material standards of the citizens of Antigua and Barbuda, and the promotion of their progress in all fields—political, economical, social, moral, and cultural."

The organisation said it pledges itself to give special emphasis to the following objectives:

1) preserving and advancing national independence.

2) to establish, promote and maintain the democratic way of life.

3) lifting the economic production of our people through sound planning and rational development of both our human and physical resources.

4) an acceptable standard of living for all, both moral and spiritual.

5) the elimination of those conditions which results in a breakdown of the family, juvenile delinquency, teenage pregnancy, drug addiction, and other anti-social behaviour.

6) the fostering of proper industrial relations practices and efficient trade unionism.

7) the elimination of all forms of victimization and discrimination in public life.

8) to provide the necessary facilities to bring about the full advancement of our youth, our women, and our communities.

9) to provide the masses with the means whereby they can have an effective say in the day-to-day running of our nation.

10. To put the necessary measures in place to guarantee accountablility on the part of public officials while severely restructuring any tendency on their part to abuse and misuse their office.

Dominican Republic

Haitian Envoys Seek To Improve Relations

FL1908190091 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 19 Aug 91

[Text] Dominican and Haitian diplomats are holding a series of high-level meetings in an effort to improve relations between the two countries. Yesterday, international news agencies reported Haiti's insistence that the current program of repatriations be stopped. According to these reports, a Haitian Government delegation, headed by Social Affairs Minister Myrtha Celestin, will arrive in the Dominican Republic to hold talks with foreign affairs representatives.

President Joaquin Balaguer announced the meetings between the two countries last week. Balaguer pointed out that the issue of repatriations is not open to discussion. The Dominican representatives will only discuss trade arrangements and contracts for sugar harvest workers. It was repeated that no dialogue will be held to modify the repatriation program. Last Thursday [15 August], President Balaguer reaffirmed the government's decision to repatriate all Haitians that reside illegally in the Dominican national territory.

Group Protests Police Detention of Youths

FL1508161191 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 15 Aug 91

[Text] In the last few days, police have rounded up more than 1,000 youths during raids in the neighborhoods of (Tallat), (Gualey), and 27 de Febrero, according to the (Hermana Sedaval) Committee of the (Gualey) District of Santo Domingo. According to the neighborhood organization of the Dominican Workers Party [PTD], the raids were carried out by the police and the National Drug Control Directorate. The PTD organization in (Gualey) District protested that the police are rounding up workers, students, public and private sector employees, and housewives. The (Hermana Sedaval) Committee of the PTD in (Gualey) has denounced that the police have incarcerated hundreds of individuals without complying with the Constitution and the laws, which direct that they should be turned over to the courts or set free within 48 hours.

Grenada

Country Rejoins OECS Court System

FL1708004791 Bridgetown CANA in English 1903 GMT 16 Aug 91

[Text] St. George's, Grenada, Aug 16, CANA - Grenada has rejoined the organisation of Eastern Caribbean States court system after a 12-year absence.

Attorney General Francis Alexis said: "This morning, 16th of August, we in Grenada, Carriacou and Petit Martinique wake up to a bright new day regarding our judicial and legal system." He told the nation in a radio address that at midnight Thursday Grenada gave up the "temporary judicial system" which existed only on the grounds of necessity. He said Grenada was now back under the legal system required under the 1973 Constitution under which the island gained independence.

"Over the past years, our nation drifted along in a sea of legal uncertainty, which meant that we could not manage our national affairs with due certainty," he said. He described the situation then as a "disincentive to investment, job creation, and national development."

Grenada pulled out of the OECS court system March 14, 1979, a day after Maurice Bishop's New Jewel Movement took power in a coup d'etat. The return came after the local court system tried, sentenced, and heard appeals from 17 former government and military officials who were involved in Bishop's 1983 murder.

Alexis said Grenada had an obligation to return to the permanent judicial system, "lest necessity forsake us and leave us stranded in the middle of nowhere." He confirmed that the final act of the OECS heads of government, needed for Grenada's full restoration to the OECS supreme court, was carried out Thursday at a meeting in Antigua, and took effect at midnight.

Alexis said the relevant legislation passed by the Grenada Parliament, allowing the island's Constitution to be back in force in its entirety, also took effect. The legislation includes the Constitutional Judicature Restoration Act, the Magistrates Judgments Appeal Act, and the West Indies Associated States Supreme Court Re-enactment Act, 1991.

"By these acts, the temporary supreme court of Grenada no longer exists; instead we are now safely back in our regional court," Alexis reported. He explained that all matters or cases pending before the Grenada high court or appeals court up to Thursday were now "automatically" before the regional court system. He confirmed that two Puisne judges, Justices Lyle St. Paul and James Paterson, have been confirmed in their posts as was the director of public prosecutions, Velma Hylton, by the Regional Judicial Services and Legal Services Commission.

"All rights have been preserved. Indeed, today you have more rights than you had yesterday, for today, unlike yesterday, you can take your legal matters all the way up to Her Majesty's Privy Council in London," Alexis said.

OAS Human Rights Commission Lauds Commutation

FL1708144791 Bridgetown CANA in English 1359 GMT 17 Aug 91

[Text] Washington, Aug 17, CANA—The Inter-American Commission on Human Rights on Saturday

congratulated Grenada Prime Minister Nicholas Brathwaite for commuting the death sentences imposed on 14 people for the murder of former prime minister Maurice Bishop and some of his colleagues. The commission, an agency of the Organisation of American States (OAS), said in a statement it "appreciates the emotional nature of the debate on this issue and commends this enlightened decision taken by Prime Minister Brathwaite".

The statement said the commission had on July 19 and again on July 29 requested the Grenadian Government to stay the executions pending the outcome of the study and decision of the commission on a petition sent to it by defence lawyers. "This action is in the spirit of major human rights instruments and the universal trend towards the abolition of the death penalty," the statement said.

Meanwhile, Grenada has told the United States that the prime minister's decision to commute the sentences was taken in the best interest of the country. Grenada Ambassador Denneth Modeste told the Caribbean News Agency the issue was discussed Thursday when the new U.S. deputy assistant secretary for the Caribbean, Donna Hrinak, paid a courtesy call on him.

He said the U.S. official told him that her government understood the prime minister had a difficult decision to make and did what he felt was best for Grenada. Modeste said he indicated that the Grenada Government hoped this would put to rest the suffering brought on the people of Grenada beginning in 1979 when the duly elected government was illegally removed from office.

Government Says Elections Normal Despite Reports

PA1908133991 Madrid EFE in Spanish 2108 GMT 18 Aug 91

[Text] Mexico City, 18 Aug (EFE)—Mexican Attorney General Ignacio Morales said today that the federal election is going on without incident throughout the country, despite reports by the opposition.

Morales said that as of 1330 (1930 GMT) there has been no violence reported in any of the country's 300 electoral districts.

Meanwhile, spokespersons for the National Action Party (PAN) and the Party of the Democratic Revolution (PRD)—the country's second and third political forces—have reported irregularities at the polls.

The PAN spokesperson said his party hopes that today's elections will be carried out cleanly, "but what is going on is what always happens; there is no difference from past elections."

The 88,308 polling places across the country opened at 0800 (1400 GMT) for over 36 million Mexicans of voting age to come forward before 1800 and elect 500 federal deputies, 32 of the 64 members of the Senate of the Republic, 66 members of the Federal District of Assembly Representatives, and six governors.

The Institutional Revolutionary Party (PRI), which has been in power since 1929, the Authentic Party of the Mexican Revolution (PARM), the Mexican Democratic Party (PDM), the Mexican Ecologist Party, (PEM), the Cardenist Front for National Reconstruction Party (PFCRN), the Popular Socialist Party (PPS), the Revolutionary Workers Party (PRT), and the Labor Party (PT) are also participating in the election, along with the PRD and the PAN.

According to information obtained by EFE throughout the country, a great many voters have turned out, despite the fact that polling places opened 30 minutes late, and up to 90 minutes late in some cases.

Figures Show PRI Ahead

PA1908161191 Mexico City NOTIMEX in Spanish 1212 GMT 19 Aug 91

[Text] Mexico City, 19 Aug (NOTIMEX)—According to preliminary figures released by electoral authorities early this morning, the ruling Institutional Revolutionary Party (PRI) is ahead in the federal elections.

The Federal Electoral Institute (IFE)—the only office authorized to release information on the vote count—reported that in the election for federal deputies, the PRI received 60.5 percent of the votes in 2,519 ballot boxes counted for a total of 88,308 in the country.

The conservative National Action Party (PAN) came second with 23 percent, followed by the Party of the Democratic Revolution (PRD), with center-leftist leanings, with 6.8 percent.

The rest of the percentage was shared among the remaining seven parties in the race.

The PRI was also ahead in the election for the Senate with 59.3 percent, followed by PAN with 23 percent, and the PRD with 4.3 percent.

The initial results were released almost 10 hours after the elections for 959 seats were closed. These seats include all of those in the Chamber of Deputies and half of the Senate, which is made up of 62 seats.

The governorships in six of the country's 31 states, as well as 206 municipal offices, 146 local deputy seats, and 66 seats for Mexico City's representative assembly, were also at stake in the elections.

The Electoral Board estimated that a little over 36 million Mexicans were apt to vote in the elections, in which 10 political parties, including the PRI, participated with their own candidates.

The voting, which began at 0800 on 18 August and ended at 1800, took place without any violent incidents, and according to some political leaders, there was a large turnout.

Preliminary results supplied by the IFE coincided with the preliminary results divulged by Televisa from a Gallup survey according to which the PRI received 62.7 percent of the votes.

The survey showed the PAN running second with 13.4 percent, followed by the PRD with 6.1 percent.

The recently created Labor Party reportedly obtained 1.7 percent of the votes, while the other six parties got less than 1.5 percent each.

The ruling party reportedly also won the elections for governor in the states of San Luis Potosi, Guanajuato, Sonora, Campeche, Queretaro, and Colima.

Costa Rica

President Expresses Concern Over Events in USSR

PA2008014991 Panama City ACAN in Spanish 1743 GMT 19 Aug 91

[Text] San Jose, 19 Aug (ACAN-EFE)—Costa Rican President Rafael Calderon Fournier today expressed his deep concern over the coup that took place in the USSR, ending the administration of Mikhail Gorbachev. The president noted the repercussions that this may have for world peace.

In brief statements to the press, the president said that if Gorbachev's departure leads to a radical change of Soviet policy in the form of a "return to the cold war and a threat to world peace, all of us should be concerned."

On his part, Costa Rican Foreign Minister Bernd Niehaus "deeply" deplored the fall of Gorbachev, who was president of the USSR until yesterday. Niehaus described Gorbachev as the "architect of East-West detente" and an essential player in the pacification of Central America.

Costa Rica was the first Central American country to establish diplomatic relations with the USSR. It did so in 1971 and has kept those relations unchanged until now.

Calderon Replaces Security, Planning Ministers

PA2008024991 Mexico City NOTIMEX in Spanish 0041 GMT 20 Aug 91

[Text] San Jose, 19 Aug (NOTIMEX)—Costa Rican President Rafael Angel Calderon today announced that he will reshuffle his cabinet by replacing Public Security Minister Victor Emilio Herrera and Planning Minister Helio Fallas.

Calderon said his administration seeks to reduce the fiscal and state deficit to favor social interest programs. In order to achieve that, it needs to review performance in certain areas of government "and make some changes."

He added that the area of public security was one of those areas that needed intervention because that ministry was failing in certain aspects.

"This was evident in reports drafted in the wake of the 22 July incident," when street vendors clashed with police in downtown San Jose, Calderon said. He added that "this incident underscored the need for tighter cooperation among police units," for the sake of citizen safety.

"Because of this, we decided to merge the Government and Public Security Ministries, place them under Minister Luis Fishman, and withdraw Public Security Minister Victor Emilio Herrera," Calderon said.

However, he denied that the merger of these ministries, although definitive, ultimately aims to create an Interior Ministry.

Calderon said that "Planning Minister Helio Fallas decided to withdraw from the cabinet by common agreement." He had words of praise for Fallas but pointed out that the planning minister failed to become "fully involved" in the state's restructuring policy. Calderon said that he has not yet decided who will assume that post that will be vacant beginning tomorrow.

The backbone of current government policy, he added, is the reduction of the fiscal deficit, modernization of the economy, reduction of state size, and incorporation of Costa Rica into the new trends of international trade.

He said that "this means that the government needs individuals who can work as a team within the cabinet and share this criteria."

Meanwhile, outgoing Minister Helio Fallas told NOTIMEX that the Planning Ministry "had lost institutional space" in the most recent governments and "this trend worsened during this administration." He added that this and "the way I felt about the government's social policy" made it impossible for him to remain in government.

Helio Fallas became the fourth minister of President Calderon's cabinet to leave his post. The first one to leave was Labor Minister Erick Thompson because of differences with the Costa Rican president; then came Johnny Meono, who was in charge of state reorganization; and more recently the public security and planning ministers.

Guatemala

Peace Talks Postponed at Mexico's Request

PA1608225691 Panama City ACAN in Spanish 2105 GMT 16 Aug 91

[Text] Guatemala City, 16 Aug (ACAN-EFE)—The meeting between the Guatemalan Government and guerrillas, scheduled for the end of this month, was postponed for two weeks at the request of the Mexican Government for "internal reasons," official sources reported 16 August.

Julio Mendizabal, National Reconciliation Commission [CNR] executive secretary, told the news media that the decision to suspend the meeting "was made to comply with the request by the Mexican Government."

"Mexico will hold elections for senators, governors, and deputies, and for that reason Mexican President Carlos Salinas de Gortari asked the CNR to consider this situation," Mandizabal explained.

The government and Guatemalan National Revolutionary Unity (URNG) delegations had planned to meet from 26 to 30 August to continue the talks on human

rights that were left unfinished during the previous meeting held in July in Guadalajara.

The CNR has gladly postponed the meeting for two weeks. The meeting will be reorganized and the date for the negotiations will be rescheduled, but it will always be in Mexico, the source said.

Communique Condemns Soldiers Involved in Murder

PA1708194691 Guatemala City SIGLO VEINTIUNO in Spanish 16 Aug 91 p 5

[Guatemalan Army communique issued in Guatemala City on 16 August]

[Text] In compliance with military regulations and the laws of the nation, and to safeguard its institutional honor and prestige, the Guatemalan Army hereby informs the general public that:

First: While conducting an investigation into the deplorable violent incidents that took place on 9 August on the highway between the cities of Escuintla and Taxisco, sufficient evidence was found to link certain members of the Guatemalan Army to this loathsome crime.

Second: According to the law and in fulfillment of its sacred duties to protect the state of law, respect human rights, and prevent impunity and violations of the Guatemalan people's basic rights, the Army has detained the presumed responsible parties and has placed them at the disposal of the corresponding courts. These individuals are:

1. Navy Captain Anibal Ruben Giron Arriola
2. Frigate Capt. Mario Alfredo Garcia (no matronymic)
3. Infantry Lieutenant Luis Pedro Alonzo Guerra
4. Military Reserve Lt. Ever Alberto Galindo Lopez
5. Specialist Jorge Alberto Gonzalez Trujillo
6. Marine Corporal Gilberto Jesus Campos Morales
7. Marine Private Second Class Tito Martinez Perez

Third: The Army clarifies that the persons involved must be held accountable for their actions as individuals because they acted without regard for institutionality and failed to observe the professional conduct that is required from members of the institution, which is required to obey the laws of the Republic and never behave arbitrarily or overstep its authority.

Fourth: By profoundly deploring the incident the Guatemalan Army shares the sorrow of the relatives of the deceased.

Fifth: The Guatemalan Army reiterates its unswerving determination to serve the nation to which it belongs and to which it owes its existence and to continue its efforts to convert peace and justice into the best instruments to obtain the progress and welfare of all Guatemalans.

Police Defuse 'Soviet-Made' Bomb Near Palace

PA1908231291 Mexico City NOTIMEX in Spanish 1942 GMT 19 Aug 91

[Text] Guatemala City, 19 Aug (NOTIMEX)—A "Soviet-made" two-fuse bomb was defused today in the building "El Centro" where the offices of several international news agencies are located, a few meters from the Government Palace, the National Police reported here.

The bomb was detected by security agents in the building. The National Police and a special team defused the bomb after the building was evacuated.

Among those agencies housed in the building "El Centro" are several news agencies, including ACAN-EFE of Spain, REUTER of Great Britain, NOTIMEX and EXCELSIOR of Mexico, DPA of Germany, and IPS of Italy.

The police reported that nobody has claimed credit for planting the bomb. Sebastian Giron, the building's security agent, found the bomb outside the door of one of the elevators in the building. He said the bomb was inside a 12-inch-long wooden box.

URNG 'Declaration' Shows Position on Government

PA1808235391 Guatemala City SIGLO VENTIUNO in Spanish 15 Aug 91 p 13

["Declaration" issued by the General Command of the Guatemalan National Revolutionary Unity, URNG, in Guatemala City on 12 August]

[Text] Guatemala is going through a very critical and delicate phase. No one can ignore the flood of problems that threaten stability; solutions are urgently needed. With full responsibility, the URNG General Command feels it is necessary to issue a declaration for the national and international public.

1. The Government's Work

Six months have elapsed since the government of President Jorge Antonio Serrano Elias took office. That is enough time to draw conclusions about the effectiveness of the new regime in dealing with national problems. The time has run out for declarations, rhetoric, and promises. Now only concrete realities are what counts and what defines the situation.

We are about to enter a period in which economic conditions will get even worse and poverty and destitution—which afflicts most of the population—will increase. Hikes in electricity rates, high fuel costs, price deregulations, and the failure to pay the promised insufficient minimum wage are all expected to continue. If we add the great shortages in housing, health, and education to the catastrophic situation, the result is an already unbearable situation that becomes more acute.

Violation of the most basic human rights and repression have increased and continue to wreak havoc in the

countryside and cities. Despite government statements that try to divert attention and hide the root causes of the repression and who is to blame, no day goes by without repressive acts being committed with total impunity.

The murders that have taken place and the investigations that are on the verge of being solved present a challenge and a very serious obligation and responsibility for the government if they are not cleared up soon. There is no doubt that the resolve to begin investigating certain murders is positive, but it is essential that this be done and that the murders are clarified.

It is unacceptable that real and serious threats persist against various sectors of the democratic and popular movement and that steps are not taken to prevent these acts of terrorism. Guatemala is a country in which public security organizations and clandestine repressive organizations exercise the greatest and most sophisticated control over the population and citizens' activities. That is why it is totally incomprehensible that the insecurity and intimidation cannot be stopped. Political resolve must be shown with facts. Pretexts or explanations to dodge responsibilities are completely unacceptable.

2. The URNG's Position

Negotiations between the government and the URNG began in April to seek a political solution to the domestic armed conflict and the crisis in our country. The process is now under way. The agreement on democratization, signed in Queretaro, is enough of a reference to hear and discuss the various points. The URNG's General Command reiterates what it has previously stated: its willingness to seek points of agreement that will lead to a fair and democratic solution, taking into account the needs and wishes of our people.

The URNG believes its military actions cannot stop until conditions exist to resolve the basic reasons for our armed uprising. The continuation of our armed actions should not be seen or described as a lack of political resolve. The confrontation can be resolved through negotiation, but the end of this confrontation can only be reached through implementation and verification of the agreements themselves. To consider an end to armed confrontation as a precondition is unrealistic and impossible, especially when the Army continues to carry out offensive operations against our forces; such operations also affect the civilian population.

The URNG has previously stated, and today reaffirms, that the reason it carries out certain strikes and military sabotage operations is to neutralize and reply to punitive or repressive operations against the unarmed population. Unfortunately, this fact continues to be kept secret from all sectors of the population, especially the urban sector. Therefore, we want to explain our actions. These are not rash acts meant to harm civilians and they should also not be termed as terrorist acts.

The negotiating process has its own characteristics and own dynamics, and we do not want military actions to affect it in any way. The military operations correspond to the objective reality of the various operating theaters where the armed clashes take place.

The topic of human rights will be discussed in the next few days during a new round of talks. The URNG's General Command considers the topic to be very important and fundamental to resolving our peoples' situation. For this reason, and because it is aware of its responsibility when discussing this topic, the URNG has prepared reports to analyze the serious situation in our country and will propose essential measures to guarantee protection of human rights.

For this reason, the URNG asks the Guatemalan people and the international community to remain aware of and concerned about this topic in the various ways that they have been doing so up to now.

The General Command of the URNG
Commander Rolando Moran; Commander Gaspar Ilom; Commander Pablo Monsant; Carlos Gonzalez, Guatemalan Labor Party secretary general
Guatemala City, 12 August 1991

Rebels Seize Town To Protest Energy Rate Hike

PA1908134091 Guatemala City PRENSA LIBRE in Spanish 15 Aug 91 p 4

[Text] A group of men identifying themselves as members of URNG [Guatemalan National Revolutionary Unity] engaged in terrorist acts yesterday afternoon reportedly to protest the increase in energy rates. The rebels took over the Fray Bartolome de las Casa Municipality, Alta Verapaz Department, and blew up and blocked access roads by knocking down large trees.

Information provided by several drivers of cargo and fuel trucks indicated that a group of men in blue uniforms and carrying weapons of a forbidden caliber blocked vehicles headed toward Fray Bartolome de las Casa and Playa Grande, Quiche Department.

The unidentified assailants used cars and large trees to block the road. They also placed sticks of dynamite on several stretches of the road, which would explode when a driver dared to drive over the obstruction.

According to these drivers, the situation yesterday afternoon was uncertain because Fray Bartolome de las Casas residents have no electricity since the rebels are keeping them from operating a power generator needed for vital services.

Honduras

Callejas Comments on USSR, Other Issues

PA1908232791 Tegucigalpa Voz de Honduras Network in Spanish 1610 GMT 19 Aug 91

[Interview with President Rafael Leonardo Callejas by unidentified reporter in Tegucigalpa—live]

[Text] [Reporter] President Callejas, can you comment on the Guatemalan president's visit?

[Callejas] I am very satisfied. The Guatemalan president is a leader who has great support in his country. He emerged from a political process in which he was elected by the people. He entered an electoral process in which he apparently did not have any chance of becoming president of the Republic. However, his charisma and determination took him to the Presidency of his country. In addition to being a very good friend of Honduras, the Guatemalan president is also a very good friend of mine. We belong to similar political parties, which enables us to maintain a frank and broad dialogue. Recently the Guatemalan president has made many decisions aimed at strengthening the respect for human rights in his country, creating favorable conditions for Central American integration and seeking solutions to regional conflicts. Therefore, we must be proud to have this distinguished Guatemalan statesman and Central American leader as a guest in our nation.

[Reporter] We have noticed that the Guatemalan president is accompanied by a large delegation. Is this significant? It is the largest delegation from that country we have seen in the past few years.

[Callejas] It is very significant. You must also remember that it is the first official state visit in our country since President Vinicio Cerezo ended his term and we assumed the government. Nicaraguan President Violeta Chamorro will visit us in September and she will be followed by the other Central American presidents. I already toured Central America at the beginning of my term and now it is time to reciprocate. In that regard, President Serrano's is the first state visit we have received from the Central American presidents. His presence here clearly reflects the many points we will discuss with Guatemala. We will discuss political, economic, and social aspects ranging from Central American integration to aspects related to the presidential summit in December of this year.

[Reporter] Could you comment on the current situation in the USSR? What repercussions could Mikhail Gorbachev's separation have in Central America?

[Callejas] Many. What has occurred in the USSR is the denial of the [word indistinct] system. A coup must be condemned in the USSR or in any country in the world. The philosophy of democracy is vital for the development of good relations between states and for the reduction in this specific case of the Cold War. We have to see how events develop, but we can only condemn that which constitutes a violation of that nation's constitution.

[Reporter] Mr. President, what is your view of the violence that is occurring inside the country and that is dragging us down and endangering us?

[Callejas] It is worrisome. The Honduran Armed Forces have already appointed a special commission to deal with this. The crime that took place in the area of Progreso, Santa Rita, and Yoro is aberrant and abominable. We hope to obtain the relevant information in order to arrest and later bring to trial those people who, with premeditation and evil intent, commit crimes that horrify the public.

Guatemalan President 'Deplores' Gorbachev Ouster

PA2008004491 Panama City ACAN in Spanish 2134 GMT 19 Aug 91

[Text] Tegucigalpa, 19 Aug (ACAN-EFE)—Guatemalan President Jorge Serrano stated here today that the overthrow of Soviet President Mikhail Gorbachev "will shake the world's democratic structure."

Serrano told ACAN-EFE that it is "premature" to talk about the political future and developments in the Soviet Union and in the rest of the world.

The Guatemalan president noted that what happened in the USSR "will not have the impact that it appears to have at this moment," saying he is inclined to believe that it involves "internal problems."

Serrano added that there may be some problems in Central Europe and that in the case of Latin America he does not think there will be any major repercussions that will change history. "My government deplores what has happened in the Soviet Union. Hopefully there will not be any setback in the democratization process and this will not mean the establishment of a new dictatorship," the president added.

Serrano arrived here today as part of an official two-day visit to discuss with his Honduran counterpart, Rafael Callejas, matters of bilateral and regional interest.

Attorney General on Cases of Missing Persons

PA1608190391 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 14 Aug 91

[Interview with Attorney General Leonardo Matute Murillo by journalist Jose Danilo Izaguirre in Tegucigalpa; date not given—recorded]

[Text] [Murillo] I had the honor of receiving in my office distinguished citizen and former President Jose Simon Azcona. He has handed me two reports. One is a preliminary report issued by the investigating commission that was formed in 1984 by Brigadier General Walter Lopez Reyes, who was the head of the Armed Forces at the time. This preliminary report is dated June 1984. I was also handed a second report issued in December 1984 by the same investigative commission.

I want to tell the Honduran people through you, the press, that this preliminary report is signed by Infantry Colonel Manuel Enrique Suarez Benavides, who was the Armed Forces general auditor at the time, and it consists of only five pages. There are some attachments that refer to information relating to the alleged disappearance of Jose Eduardo Becerra Lanza, signed, of course, by his

relatives. There are other attachments with lists of names, four sketches that indicate suspicious homes, and additional information at the end of this preliminary report—all relating to the alleged disappearance of this citizen Becerra.

However, the 1984 report, which includes 10 pages, is only that—a report, with some conclusions and recommendations, issued on 28 December 1984 and addressed to Armed Forces Commander in Chief General Walter Lopez Reyes. There is something curious about the documents, which are photocopies, of course. They specifically refer to the 28 December document, and even though it is true that the names of the persons who comprised the commission and their posts are listed in the end, on page 10, none of their signatures are included. These circumstances must be explained to the people.

Nevertheless, the documents were properly bound in hardcover, and Eng. Jose Simon Azcona Hoyo told me that these are the documents he received from Dr. Roberto Suazo Cordova, who had, in turn, received them from the investigating commission... [corrects himself] from Gen. Walter Lopez. The documents were turned over to the Attorney General's Office and, once the appropriate analysis was made, we found that the investigation was not thorough enough.

Something must be done about this and we think it will be necessary to send the documents to the president. However, it must be officially delivered to the National Reconciliation Commission so that its members can carefully analyze the information and issue some suggestions. We will thus know if it is convenient, appropriate, adequate, and worthwhile to continue the investigations, or to drop the matter. The truth is that [words indistinct] what could have been discovered over the course of the investigation. You are aware that seven years have elapsed and we can hardly delve further than at that time with new information.

[Izaguirre] Mr. Attorney General, the case has been reopened. Does this mean that there are plans to continue the investigation? What is the real purpose? To have a report that says nothing or to locate the culprits in these missing persons' cases?

[Murillo] It would be interesting to locate the culprits but, to be honest... [pauses] you must realize that nothing was achieved then—that is what we surmise from the report—when the events were more recent, so we can hardly gather more information or fully establish who the culprits are. Our goal was to locate the reports because the relatives of people who are presumably missing have said that they want to know about the contents of these reports. We have fully achieved our goal because we managed to get these reports, and we assumed the pledge to publicize them.

Commander General on Restructuring Armed Forces

PA1708171591 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 14 Aug 91

[Report by Francisco Valeriano]

[Excerpts] Once again the president met with General Luis Alonso Discua Elvir, commander general of the Armed Forces. [passage omitted]

Discua was asked if the U.S. Government could be behind the draft resolution to restructure the Armed Forces.

[Begin recording] [Discua] There is an AID [Agency for International Development] document that outlines the new policy and strategy of the United States on the area's demilitarization. Logically, all the armed institutions of these countries must make certain changes, however, it is we who have to take the initiative, not through pressures or restrictions. I believe that Central American and Latin American countries have sufficient capability, and men with enough capacity, to begin these changes, but not under the pressure of an international organization. The characteristics of Latin American countries are totally different, and all our government institutions are subject to our way of thinking and not to the pressures of an organization that may not fully realize the needs of these countries.

[Valeriano] General, each country must then decide on the size of their own Armed Forces in accordance with its own characteristics and military needs?

[Discua] Definitely. Each country has its own system, its own characteristics, and it own needs. This not only holds true for the Armed Forces but all government institutions that need to be restructured to be current with the latest world events. An institution that does not change tends to disappear. I believe that government structures should become more dynamic, more modern, and adjust to world changes.

[Valeriano] General, former president Azcona presented the report on missing persons, however, the Codeh [Honduran Human Rights Defense Committee] says that the Armed Forces has the closest links with this situation.

[Discua] I believe that this human rights organization.... [changes thought] I must first say that Dr. Custodio has my fullest respect—he is an honorable person and I have known him for a long time. The report Dr. Custodio presented first came to light in a document that the human rights organization published back in 1984. That is the only report that I know of. Yesterday, (?the president was shown) a case file, which I believe Dr. Custodio also knows about. This shows what happened to many officers at that time, who like myself, worked for intelligence organizations—this has always been my specialty. Just because a person may have occupied a position in an organization does not make him guilty. One cannot just deal with the political situation, but

neither can one smear or manipulate people who [words indistinct] because this is what causes disappointment in the Armed Forces. This report was presented by former president Azcona and the truth is that there is nothing really to it.

[Valeriano] Is this the true report?

[Discua] This is the only report that I know of.

[Valeriano] According to the human rights organization, this report does not cover what really happened. If this is the case, what happened to the missing persons?

[Discua] I do not know what may have happened between 1980 and 1983. In fact, even in 1984 the commission Dr. Roberto Suazo Cordova formed in which (Dr. Julio Tello) worked, reached no conclusions. [words indistinct] [end recording]

Nicaragua

Ortega Calls Bush Initiative 'Starting Point'

PA1808001091 Paris AFP in Spanish 0056 GMT 17 Aug 91

[Text] Mexico City, 16 Aug (AFP)—In an interview published in the 16 August edition of the Mexico City newspaper EL NACIONAL, former Nicaraguan President Daniel Ortega says that with U.S. President George Bush "there are better conditions than with Ronald Reagan to establish a new type of relationship with Latin America."

Ortega adds: "It is not a matter of setting up a front and declaring war on the United States but of consolidating a Latin American front to achieve a new type of relationship. Imperialism is alive and kicking and that is why I maintain that the United States needs some sort of perestroyka."

Regarding Bush's Initiative for the Americas, Ortega says: "We should not reject it; that would be negative. It is a starting point and should be readily accepted because, regardless of the intentions that might be behind it," it is a platform "from which we can make a counterproposal."

The former president, who is vacationing in Mexico, says that the "historic" Declaration of Guadalajara—issued during the summit of Ibero-American heads of state and government held on 18 and 19 July—is a "very valuable" starting point for the regional counterproposal to the Bush initiative.

Former EPS Soldier Dies in 'Attack' on Godoy

PA1908231091 Mexico City NOTIMEX in Spanish 1939 GMT 19 Aug 91

[Text] Managua, 19 Aug (NOTIMEX)—It was reported here today that at least one former officer of the Sandinist People's Army [EPS] died during an incident in northern Nicaragua that appeared to be an attack on Vice President Virgilio Godoy.

Godoy confirmed for NOTIMEX that retired EPS member Francisco Andres Lacayo killed former contra "Ricardon" during a gathering on 18 August in San Isidro, 120 km north of Managua. The shooting took place amid a gathering of some 2,000 individuals who were standing about 30 meters from the speakers. Godoy was part of the gathering and he had been warned hours earlier by the local police of a possible attack against him.

Godoy added that the perpetrators of the attack were three individuals, among them a former soldier of the defunct state security apparatus of the Sandinist Government. The individuals were traveling in a white Toyota pickup truck.

The vice president blamed the "influence" exerted by a recent communique that was issued by the community movement led by former Sandinist Foreign Minister Miguel D'Escoto. The communique leveled charges against him and other top state leaders. He added that "if this action was not led or plotted by the authors of that communique, it was at least influenced by this communique."

The vice president, who has not been allowed to carry out his executive branch duties and is keeping very politically active in the country's main regions, gave assurances that he will continue his activities, because "nothing has changed and I will not lock myself up."

Godoy rejected the police protection that parliamentarians of the National Opposition Unity government coalition have been receiving since 17 August because of possible disturbances stemming from the start of debate on the new property law at the assembly tomorrow.

FSLN Leader Welcomes Agreement on Ownership

PA1808004391 Managua BARRICADA in Spanish 16 Aug 91 p 7

[Report by Alfonso Melespin Jiron]

[Text] Luis Carrion, member of the National Directorate of the Sandinist National Liberation Front [FSLN], regards the agreement signed during the second phase of economic and social concerted effort as "a major development for the future of Nicaragua, since it again recognizes and legitimizes the democratic transformation on ownership carried out by the Sandinist popular revolution."

"This agreement," according to Carrion, "establishes the basis for attaining a permanent and definite solution to the thorny issue of ownership, a central factor in the political and social instability" that the country is experiencing.

The future of the country now hinges on the fate of the bill that National Assembly President Alfredo Cesar will almost certainly submit on 20 August before the assembly, a forum that Carrion described as "a factious platform that is sabotaging efforts to achieve national stability."

"That initiative must be rejected because it would only deepen the national crisis and political polarization," create a confrontation between government branches, and sow uncertainty among thousands of families. "That initiative removes the possibilities of an understanding that would really consolidate peace in Nicaragua."

Since yesterday, the FSLN National Directorate has been studying its future actions should the bill to repeal Laws 85, 86, and 88 be introduced to the full session on Tuesday. Carrion said that no decision has been made yet although there are some options. The final stance will be known today.

"If there is some possibility that the initiative may be defeated at the National Assembly, the FSLN may go there to put up a fight. That possibility may come true following the signing of the concerted agreements, and if some National Opposition Union deputies see it as the only viable path."

Another possibility is to strike some kind of deal among Cesar, the government, and the Sandinists before the fateful date. Commander Carrion, however, feels this is unlikely "because the assembly president has been very narrow-minded and stubborn in his plans to push through the approval of the (repeal) law at all costs."

The top Sandinist leader also cast doubts on the true strength and representativeness of Cosep [Higher Council of Private Enterprise], an organization that once again refused to sign the concerted effort agreements. The National Union of Farmers and Cattlemen represents the large majority of the country's producers," he noted. Cosep's representativeness "is highly debatable, even among big-scale private businessmen," Carrion stated. He said Cosep's stance is the same as usual. "The stance of that political group regarding the government is no different from its stance regarding the Sandinist government."

He accused that business sector of "going there to try to sabotage the agreements that may be reached for reasons that are more political than economic and social. They are bent on reestablishing the situation that existed in Nicaragua before the Sandinist revolution, bereft of a vision of the future."

Commentary Predicts Violence, Chaos in Country

PA1808200491 Managua Radio Corporacion in Spanish; 2300 GMT 14 Aug 91

[Jose Castillo commentary]

[Text] Sometimes we want to ignore or forget certain things but memories are strong, particularly when events have left an indelible mark. Following the electoral defeat of the Sandinists, they loudly proclaimed that they would turn over the government—but never the power. In fact, we must accept that the Sandinists have continued to rule with their weapons, meaning by force. No one ignores the fact that they still dominate enterprises, sugar mills, farms, cooperatives, stores, ministries; and they have done what they wanted—seizing municipalities and showing their violent spirit, both in the cities and the countryside.

The situation that currently prevails in the northern part of the country is a result of the abuse perpetrated against former fighters, who have been compelled to go back to the mountains to protect their lives. When Decrees 10-90 and 11-90 were issued, the Sandinists protested, seizing cities and destroying streets, which resulted in millions of dollars in losses. Not a single person was punished. In addition, many people sustained bullet wounds; Radio Corporacion was blown up—this represented a loss in excess of $250,000 for this enterprise—and no one was arrested. This was one of the worst crises in recent times. They later destroyed diplomats' cars, like the vehicle of His Eminence Cardinal Miguel Obando y Bravo. The result was always the same: No one was arrested, much less condemned.

When the National Conservative Party submitted a bill to the National Assembly to normalize the private property issue and abolish Decrees 85 and 86, the Sandinists reacted quickly. Bombs exploded at the homes of political leaders and party headquarters, deputies were threatened, and Radio Corporacion was seized again. Part of the installation was destroyed; equipment and cash was stolen; and, as usual, the criminals walked away free. We make this brief summary because we are surprised to see police, continuing the atmosphere of instability which prevails in the country, declare a strike—reportedly because they demand a salary increase.

Aside from the strike, there are reports about the Sandinists preparations for the protests that they will carry out after the National Assembly Justice Commission presents a bill on the land ownership issue. They almost set fire to the country with their previous activities, for similar reasons, so you can rest assured that the situation will have dramatic overtones—their desperation will be there for all to see. We expect the burning of public transportation vehicles, the seizure of stores, the looting of food enterprises, the paralysis of our nation, the increase in crime rates—the policemen's strike will gather strength, thus facilitating the work of the criminals.

All these actions will logically have a favorable publicity campaign. The UNO [National Opposition Unity] deputies—perhaps even the government, but we are not certain about the latter—will be depicted as villains, as the bad guys. They will be slandered, threatened, insulted, perhaps even attacked. The Sandinists will stake everything and will say: It is now or never because, if the law is approved, it means they will have to return the property they illegally seized. Those who have a small lot or a meager home should heed me: Let no one push, use, or manipulate you. The law has nothing to do with owners of small lots. Perhaps we are on the verge of one of the worst outbursts of violence.

The great interests of the Sandinist leaders are at stake here and they will defend them by all means. They will spare nothing and they will not stop to think about the consequences of their violent actions. They will simply act. All the barracks will be on strike by then, and there will be no police force to put them in their place. The government still has our option, particularly the president, who is the supreme commander of the Army. If the police fails, the Army will have to act. This is how we will know if the Army docilely obeys the first citizen of the nation.

We are on the razor's edge. We ride the crest of the wave. How unfortunate that we fail to understand that nations should not be sacrificed for the sake of an ideology which has proved, throughout the decades, that it was not the panacea we needed for our problems. Likewise, we hope that the Sandinists understand that they have no right to cause a tragedy—merely because they feel supported by bayonets and bullets. Thank you.

Panama

Endara, Linares Comment on USSR Situation

PA1908200591 Panama City Circuito RPC Television in Spanish 1730 GMT 19 Aug 91

[Text] Foreign Minister Julio Linares has said that the Government of Panama views the ousting of Mikhail Gorbachev with caution.

[Begin recording] [Linares] We are concerned about what could happen in the USSR. We cannot ignore the fact that the awakening toward democracy in Eastern Europe is primarily because of Gorbachev and that the main objective of this coup d'etat is to deter that democratic movement. Gorbachev's fall evidently represents a setback in international relations; it is currently very difficult to preview the consequences.

[Reporter] Gorbachev's reforms led to political and economic changes. How will this affect our country?

[Linares] Any statement in that regard would be adventurous right now. For the time being, we can only say that we are following current developments in the USSR with interest in order to evaluate the situation and then make decisions. [end recording]

Meanwhile, President Guillermo Endara said this morning that relations with the USSR could be considerably affected as a result of the current situation.

[Begin recording] [Endara] We are very concerned by the possibility that the great work undertaken by Gorbachev to democratize the USSR and Eastern Europe could be suspended. We are anxiously following developments in the USSR and we hope that the detente achieved by Gorbachev and the climate of peace, progress, and democratization will not be frustrated with this movement.

[Reporter] Will Panama recognize the new government?

[Endara] We must analyze the situation very carefully before giving any recognition.

[Reporter] Could relations with the USSR be affected if a de facto government is installed?

[Endara] Definitely. The installation of any de facto government would affect our relations. [end recording]

President Endara Charges DEA With Intimidation

Claims Leaks to U.S. Media

PA1708033591 Panama City EL SIGLO in Spanish 16 Aug 91 p 10

[Article by Rafael Rodriguez]

[Text] On 15 August President Guillermo Endara accused the DEA of filtering information to the U.S. media about an alleged increase in drug trafficking but, he noted, "I will not let them intimidate me."

Endara made this statement at the Presidential Palace, where he maintained that there is a campaign of intimidation through news reports that the DEA supplies to the U.S. media.

The Panamanian president reiterated: "We will not let the DEA intimidate us." He added that this is the same campaign used against Mexico and other countries.

In addition, it was reported that the Judicial Technical Police seized 2,500 kg of cocaine and arrested 450 drug traffickers, most of them Colombians, over the past seven months.

In the past four months many planes and ships entered the country illegally and unloaded large cocaine shipments that were picked up by Panamanian drug traffickers.

The Attorney General's Office began an investigation at the penitentiary on Coiba Island, where authorities seized more than 100 kg of cocaine. It is believed that the inmates have used a similar quantity.

Finally, Endara said that, despite reports published in THE WASHINGTON POST and THE NEW YORK TIMES, there are U.S. officials who recognize the Panamanian Government's struggle to wipe out drug trafficking.

Envoy, DEA Chief Recalled

PA1908150291 Panama City Radio KW Continente in Spanish 1200 GMT 19 Aug 91

[Text] U.S. Ambassador to Panama Deane Hinton and Rene De La Coba, DEA chief in our country, have been recalled by the U.S. State Department for consultations. This was done in view of the statements made by President Guillermo Endara, who publicly accused the DEA of starting an intimidation campaign against his government.

The official version is that Hinton is on vacation, but it was learned that the talkative ambassador and the DEA chief in Panama were recalled to Washington for consultations. The two officials were recalled in light of the fact that the U.S. antidrug organization is investigating the ties between an influential Panamanian lawyer, who is very close to the higher circles of power, and a drug trafficking ring headed by Cuban-Americans Augusto Falcon and Salvador Magluta.

CNA Chief on Relations

PA1908200691 Panama City EL PANAMA AMERICA in Spanish 18 Aug 91 p 11-D

[Report by Juan Pritsiolas]

[Text] Jose Alberto Alvarez, president of the National Bar Association (CNA), has acknowledged that there are problems between the DEA and the Government of Panama. At the same time, he denied receiving any reports from members of his organization that they are being "persecuted or invited" by the DEA to testify in drug-related trials.

According to reports that circulated this week, the DEA planned to send a prominent Panamanian lawyer to the United States. Alvarez admitted he had heard the "gossip," but ruled out its veracity. He noted that he met a few days ago with the person involved, who did not mention anything in that regard.

Alvarez said that while he has been CNA president, he has only received one report a year ago from a group of lawyers who were required to travel to the United States to settle a commercial conflict involving societies they had created.

According to Alvarez, now "there is no possibility of taking" a lawyer or any Panamanian citizen to the United States to testify because the Mutual Legal Assistance Treaty (MLAT) is still not in effect.

On another matter, Alvarez commented that "at the present time, there are not the best of relations" between the DEA and some Panamanian Government agencies.

This week President Guillermo Endara accused the DEA of trying to "intimidate" his government by leaking information to the media implying that drug trafficking has increased in Panama.

Endara made similar charges in April, after the opposition divulged details of an investigation conducted by DEA Agent Ivette Torres that uncovered a band of U.S. citizens of Cuban origin who were involved in money laundering through enterprises legalized by the lawyers' office where Endara practiced law before becoming president.

According to Alvarez, there is no problem between the DEA and the Drug Secretariat at the Attorney General's Office, where the DEA has plenty of access to information. However, the situation is apparently not the same in other government institutions, where communication is not as fluid.

Linares Replies to PDC Criticism on Canal Issue

PA1908235091 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Aug 91 pp A1, A12

[Text] Foreign Minister Julio Linares, responding to recent statements made by Dr. Ricardo Arias Calderon, president of the Christian Democratic Party [PDC] and vice president of the republic, has pointed out that if he or his party have programs or suggestions to make regarding the Panama Canal issue or regarding the duty to promote a greater awareness regarding the canal and its administration, "I would recommend that he move from fruitless criticism to positive actions by bringing forth those programs and recommendations."

The following are statements made by Foreign Minister Julio Linares regarding remarks made by Dr. Ricardo Arias Calderon, president of the PDC:

The president of the republic appointed a commission to form two offices promptly: one will be in charge of overseeing the reverted areas and the other will administer the Panama Canal beginning in the year 2000.

The task of making Panamanians aware of the issue of managing the Panama Canal by the year 2000 is not a task of one week, months, or one year. It is a task of years and must basically be carried out through teaching centers and through the media. If this is to come about, adequate programs must be prepared.

For this task to start as soon as possible, it is necessary for all Panamanians to take note that we are living in a democracy and that we must learn to live in democracy if we do not want, as I have said in other occasions, to be devoured by ourselves. As long as we do not learn to live in democracy we will be wasting our efforts on futile issues, instead of concentrating our efforts and energies on productive matters such as adopting an awareness of certain values.

Moreover, learning to live in a democracy is not only a task for the government or for public employees. This must be shared by all Panamanians—political parties, associations, labor unions, business sectors, teachers and students.

Nevertheless, if the PDC has already prepared some programs or if Dr. Ricardo Arias Calderon has any suggestions to make, with all due respect I would recommend that he moves from fruitless criticism to positive actions by bringing forth those programs and recommendations.

Leader Says Unions To File Suit Against Endara

PA1808135891 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Aug 91 p A1

[Article by James Aparicio]

[Text] Labor leader Rolando Miller has revealed that the Coordinating Board for the Right to Life, made up of the largest state and private unions of the capital, will file suit next week against President Guillermo Endara for libel and slander.

Miller announced that three workers who were fired November 1990, with 800 others, for allegedly having ties with the coup attempt by Colonel Eduardo Herrera, will continue their hunger strike inside the Nunciature.

Today marks the 10th day for the hunger strikers, who are demanding the swift reinstatement of those fired and the repeal of Law No. 25, which approved the dismissals for political reasons.

Miller said that the suit against Endara is being analyzed by the attorneys of the Coordinating Board for the Right to Life.

Endara said this week that the workers on hunger strike "were well fired," because in his judgment, they were involved in a seditious plan to overthrow him by calling a general strike that coincided with the police rebellion.

Reaction to Possibility of Noriega's Return

PA1708042491 Panama City EL PANAMA AMERICA in Spanish 16 Aug 91 p 1a

[Article by Carlos Vargas]

[Text] On 15 August Panamanian political leaders rejected the aspirations of ousted General Manuel Antonio Noriega to rule Panama again. In the meantime, judicial sectors announced that if the former military officer returns to the country he will be tried for human rights violations and the crimes he is accused of locally.

Alberto Conte, leader of the National Civic Crusade—an organization made up of many groups that began the struggle against the Noriega regime—noted that the former Panamanian strongman would be crushed in an election again if he were to run for the presidency.

Conte added that if U.S. justice acquits Noriega, the Panamanian Government must sue the United States immediately for all the damage done during the December 1989 invasion, which was done to arrest the former military leader and convict him for drug trafficking.

Carlos Young Adames, a leader of the ruling Arnulfist Party who was exiled during the military dictatorship, said that Noriega's possible return is something "without any basis." He noted that it would not be advisable for him to return to the country because he would be tried by the Panamanian people.

Supreme Court President Carlos Lucas Lopez described the possibility of Noriega's return as very "remote."

Lopez stressed that the deposed military leader will be tried by local justice if he returns to Panama.

Further on 'Coup' Meeting of Former Officers

PA1708172091 Panama City EL SIGLO in Spanish (ECOS DEL VALLE supplement) 17 Aug 91 p 1

[Report by Martin Gonzalez Saldana]

[Text] Several former officers, closely linked with former Colonel Eduardo Herrera, last week toured the Rio Sereno and Boquete regions to meet with military members of the defunct Panama Defense Forces—with whom they reportedly discussed matters concerning a coup, it was reported to this newspaper by a national government official who investigates the case.

According to the source, the former officers gathered at the residences of well-known pro-Noriega officers in Boquete and during the meeting they said that "Endara's government is about to fall."

Information gathered by this reporter from other sources reveal that several former officers who participated in the 4-5 December 1990 foiled coup frequently visited Chiriqui Province early this month and that they held more than four meetings to discuss "vitally important" matters.

This newspaper also learned that the police barracks in Chiriqui have received many telephone calls from former military officers who are closely linked with former Col. Herrera; Rafael Cedeno, former chief of G-2 [military intelligence] during Noriega's regime; and former Colonel Luis Del Cid, who is detained at Miami's Correction Center for drug trafficking to the United States. ECOS DEL VALLE tried to ascertain what was discussed over the telephone but it was impossible, given the prevailing reticence.

Legislative Commission Chairman on Visit to Cuba

PA1708211591 Panama City EL SIGLO in Spanish 17 Aug 91 p 8

[Report by Pedro Antonio Ureta Jr.]

[Text] The Honorable Legislator Olimpo Saez, chairman of the Legislative Assembly's Foreign Relations Commission, told EL SIGLO: "We traveled to the Republic of Cuba in response to a kind invitation from the Cuban National Assembly to allow us to become acquainted with the juridical and electoral system used in Cuba for the election of deputies to the National Assembly."

Saez said that the visit implied a rapprochement in the bilateral relations of the two countries, which had deteriorated due to the events in Panama over a year ago.

Saez said: I traveled to Cuba as chairman of the Legislative Assembly's Foreign Relations Commission. We follow President Endara's foreign policy guidelines, and the president has said that he wants to maintain diplomatic relations with all the countries in the world.

Saez added: "Cuba is a part of Latin America. Through mutual respect we can maintain a harmonious relationship in keeping with the spirit of President Endara's foreign policy."

Ford on Talks With Financial Organizations

PA1708225591 Panama City Circuito RPC Television in Spanish 2306 GMT 16 Aug 91

[Report by David Salayandia]

[Text] Guillermo Ford, minister of Planning and Economic Policy, has said that his meetings with international financial organizations in the United States were very beneficial. He said the cabinet council will make the final decisions on the agreements that can be signed.

[Begin Ford recording] This negotiation is divided into two phases. During the first phase, Panama can say it agrees with all the details in principle. It will then be invited in approximately two or three weeks—based on what the cabinet council decides, because it is the highest organization capable of authorizing any negotiation—to sign the documents that will guide the relations and the normalization of our relations with financial institutions.

I also held a long and beneficial meeting with the U.S. Department of the Treasury. During this meeting, we were told about the creation of a support group that will allow Panama to refinance the arrears we inherited from the previous regime. As we have clearly mentioned in the past, the amount is approximately $540 million as of 31 December 1989. This means Panama will contribute $130 million, which we have put aside since the beginning in both 1990 and 1991 budgets. The difference will come from donations and long-term credit, which friendly countries have granted Panama.

As for the payment of the arrears, we are perfectly coordinated. The only thing that remains is for the cabinet council to review the last details on Monday, 19 August, so that we can proceed with the normalization of our relations with the financial institutions, God willing. [end recording]

Ford added that these kinds of talks do not mean that Panama is seeking additional credit, but they will help Panama maintain resources for a certain period.

The huge government payroll was also discussed with the international financial organizations. Ford ensured government officials of its stability.

[Begin Ford recording] The government payroll is too large. Some 25 percent of jobs are generated by the national government and all its agencies. However, we are not going to dismiss government officials because it would increase the unemployment rate, which is already a cause for concern in the entire country. We have come up with a mechanism that I explained to the entire nation on television. By means of a mechanism such as privatization, once the government sells a state enterprise, the officials stop being government officials and become private employees. By means of a voluntary—and I underline the word voluntary—program that we are drafting, government officials will be able to accept a year's salary if they so desire so they can start their own business or get a job in the private sector. [end recording]

Argentina

Government Leaders Voice Concern Over USSR Coup

Vice President Comments

PY1908140891 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1348 GMT 19 Aug 91

[Text] Buenos Aires, 19 Aug (NA)—Upon entering Government House this morning, Argentine Vice President Eduardo Duhalde voiced his "absolute repudiation" of the ouster of Soviet leader Mikhail Gorbachev.

He also said that the current situation in the Soviet Union is "unfortunate and worrisome."

Deputy Foreign Minister Comments

PY1908221091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2013 GMT 19 Aug 91

["Exclusive interview" with Deputy Foreign Minister Juan Carlos Olima by unidentified NOTICIAS ARGENTINAS reporter; place not given]

[Text] Buenos Aires, 19 Aug (NA)—Deputy Foreign Minister Juan Carlos Olima said today that the coup against Mikhail Gorbachev in the Soviet Union is a "step back in the democratization process" in that country. He warned about the possibility of a return to the East-West confrontation during the so-called "cold war."

In an exclusive interview with NOTICIAS ARGENTINAS [NA], Olima admitted, however, that "based on the first information available" an eventual return to the cold war between the Soviet Union and the Western powers may give Argentina better prospects for selling grains to the Soviet market, and Latin America may attract more U.S. and European capital.

This is the interview with Olima:

[NA] Did the Argentine Government have any indications that an event like this might occur in the Soviet Union?

[Carlos Olima] No, I believe this event took the world by surprise, although when perestroyka began a negative reaction to it was expected for a long time because no one can imagine that it would be easy to change 70 years of history by magic. In the last few years, however, there was the impression that this process was irreversible. Therefore, I believe that it took everyone by surprise because President George Bush, who is believed to have the best information in the world, was on vacation. He said that this coup or step back was not expected by his intelligence services.

[NA] What are the first estimates of the Argentine Foreign Ministry on this event?

[Carlos Olima] If we look at the first measures adopted by the so-called emergency committee, we can say that it is a step back in the democratization process. The situation is still confusing. What we know so far is that Russian President Boris Yeltsin, who in some way holds the leadership of what we can call the democratic forces, has demanded an immediate meeting of the Soviet Chamber of Deputies. We know that there are people in the street where the events are taking place in Moscow, and the information we received from our diplomatic representatives is that there are people on the tanks trying to persuade the military forces to stop their action. Also, the world has reacted with great concern, especially over what it means for the domestic side of the Soviet Union because if the movement gets consolidated it would be a step back that may lead, according to some observers, to civil war. From the international point of view, this event obviously can destabilize central Europe. The United States, Great Britain, Czechoslovakia, and the Vatican have expressed their opposition to the coup, and they hope that this event will not bring back the East-West conflict of the cold war period.

[NA] How can this event affect Argentina, taking into account that the Soviet Union has always been a potentially good grain buyer?

[Carlos Olima] It is really a little early to talk about that, but my first reaction was to think that the fact will not affect Argentina. If the coup is consolidated, it will cause a certain coolness in Soviet relations with the other Western powers. Because the USSR purchases wheat abroad because it needs the grain, Argentina might benefit from this coolness and be able to better sell its wheat. Therefore, I believe there will be no substantial change in our relations in the short term.

[NA] Could we say that the Soviet coup might improve Latin American possibilities for receiving capital that the main industrial countries intended to invest in the USSR?

[Carlos Olima] A great deal has been said about increased investment in East European countries. Reality, however, has proven different. There is a definitively accentuated lack of capital in our world. If this retrogressive process consolidates, it will prevent further investment in East European countries. In the first analysis, this fact increases Latin American prospects for attracting foreign capital. If we observe the process under way in East Europe, we realize that 40 or 70 years of history cannot be changed overnight in countries without market freedom because the absence of a free market has cultural and structural consequences and also originates in a lack of work mechanisms. These changes require many years, and Gorbachev's ousting shows that the change may take even longer than we originally expected.

Soviet Attache Explains Situation

PY2008004291 Buenos Aires Argentina Televisora Color Network in Spanish 2335 GMT 19 Aug 91

[News conference with Soviet Embassy Press Attache Vladimir (name unclear due to bad video) in Buenos Aires—live or recorded]

[Text] In Buenos Aires, the Soviet Embassy has called reporters to a news conference. Listen:

[Televisora] ...that changes are taking place because of Gorbachev's health problems. Where is he now, and what is his state of health?

[Attache] For the time being, no one here at the Soviet Embassy knows anything about Mr. Gorbachev's whereabouts or his state of health. The last report we had was that Gorbachev had some physical problems that prevented him from fulfilling his presidential functions, and that the vice president had to assume the functions of acting president to face the general problems in the country.

[Televisora] But there are rumors that Gorbachev is under arrest at this moment, or that he is dead...

[Attache, interrupting] Well, I cannot confirm these reports because right now we have no official reports on this matter, although the leader of the Russian [word indistinct] first said that Gorbachev was dead, and then he changed his opinion and said that Gorbachev could be under arrest. I cannot confirm this report. This report has been shocking news for the Soviets and for the whole world because Gorbachev is a well-known world leader, and has great international prestige because he has greatly contributed to building a new world order and in developing the process of detente and disarmament. He is obviously a person who attracts world attention. I want to add that the president has been criticized over the past few months and years. Some of the criticisms have been very serious due to the errors committed in internal policy. And today [name indistinct] stated that he intends to continue working and talking with Gorbachev, because he considers Gorbachev a good friend.

[Televisora] Is the Constitution currently in effect in your country?

[Attache] Yes. The Constitution is in force. The Soviet Constitution is in effect throughout the Soviet Union. However, the emergency committee can adopt institutional measures.

Congress Overrides Menem's Veto of Arrest Law

PY1508211891 Buenos Aires TELAM in Spanish 1143 GMT 15 Aug 91

[Excerpt] Buenos Aires, 15 Aug (TELAM)—The Senate last night upheld Law 23,950, which establishes that Federal Police cannot hold any suspect in custody for more than 10 hours for questioning. The Senate thus overrode a presidential veto of this law.

The law, which was approved by the Chamber of Deputies in July, was unanimously approved by the Senate and returned to the executive branch, which can no longer veto it this time because the two houses of Congress have upheld it by a two-thirds vote.

The law states that when someone is arrested for questioning, the arrest "must be reported to a judge" and "at no time should it exceed 10 hours." The suspect is also entitled "to immediately contact a relative or a trusted acquaintance." [passage omitted]

Painted Faces Sentenced for Rebelling

PY1508221091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2118 GMT 15 Aug 91

[Excerpts] Buenos Aires, 15 Aug (NA)—The Armed Forces' Supreme Council today sentenced 26 noncommissioned Army officers to terms between six months and nine years for participating in the painted faces rebellion on 3 December 1990. [passage omitted]

In addition to the 26 sentences imposed today, 15 were sentenced during the first phase and 17 during the second phase of the trial. The sentences in the first and second phases currently are being appealed in the Federal Criminal Court of the federal capital.

The Supreme Council has thus passed a total of 58 sentences since the trial started.

In addition to the 30 acquittals ordered today, there were 240 acquittals ordered previously. In sum, there are 328 acquitted officers.

Colonel Felix Isla Rodriguez, secretary of the Armed Forces' Supreme Council, disclosed that there are 301 more officers in Magdalena prison awaiting trail. Among them are 12 high- and low-ranking officers and 289 noncommissioned officers.

Isla also recalled that seven more military men—four officers and three noncommissioned officers—are still at large, in rebellion, or in contempt of court.

Bolivia

Reportage on Soviet Coup, Gorbachev's Downfall

Minister Reacts Cautiously

PY1908180091 La Paz Television Boliviana Network in Spanish 1700 GMT 19 Aug 91

[Text] The news of Mikhail Gorbachev's downfall has been received with great cautiousness in Bolivia. While some Bolivians think this coup was expected, others say that it is still too soon to express an opinion about what is taking place in the USSR.

The official government spokesman, Information Minister Mario Rueda Pena, said that the Soviet problem must be solved internally. He added, however, that the Bolivian Government will make an official statement about the subject in the next few days through the Foreign Ministry.

[Begin Rueda recording] In the field of foreign policy, Bolivia faithfully reacts to the principles of the juridical legacy of the international community which respects democracy. One such principle is the self-determination of the people and the need for one state to refrain from intervening in the domestic affairs of another. Bolivia also respects the principle of support for the democratic process in any part of the world. When I say any part of the world I include the USSR.

We are still receiving information and evaluating it. The events in the USSR are yet not clear. When we have full information on the situation, the Bolivian Foreign Ministry will issue a communique explaining the government's official position. In general, the Western world is reacting cautiously to this event because the situation is still being analyzed and no one has made a statement yet. [end recording]

Soviet Ambassador Denies Coup

PY2008015291 La Paz La Red Panamericana in Spanish 0000 GMT 20 Aug 91

[Excerpts] Soviet Ambassador to Bolivia Vladimir Ivanovich Kiselev held a news conference [word indistinct] at the Foreign Ministry. [passage indistinct] a statement by the Soviet Government. The ambassador insisted on the (?version) reporting the delicate state of health of ousted President Mikhail Gorbachev. He added that when Gorbachev recovers he will again work [word indistinct] current President Gennadiy Yanayev.

There has been no coup d'etat in the USSR, he said. The current government will follow the same line adopted by Gorbachev. The laws [words indistinct] have a temporary character and do not mean that (?the government) gives up the (?modifications) to the Soviet Government or society, Ambassador Kiselev asserted. He said the Soviet people support the new government and that he does not believe there will be any clashes between civilians and the military. [passage omitted on ambassador's recorded remarks because of poor reception]

Ambassador Kiselev added that the [words indistinct] USSR are (?not) mandatory and are the result of the circumstances. [Words indistinct] the people [words indistinct] and the international community.

Spokesman on Self-determination

PY2008025891 La Paz Television Boliviana Network in Spanish 0200 GMT 20 Aug 91

[Text] In view of recent events in the USSR, the Ministry of Foreign Affairs and Worship finds it necessary to say that, complying with the basic principles of our foreign policy, the Bolivian constitutional Government respects the self-determination of the peoples and the policy of nonintervention in the domestic affairs of other countries.

We must point out that the events in the USSR have caused surprise and concern, and the Bolivian Government reiterates its support for the democratic system and the democratic processes being enforced throughout the world.

The Bolivian Foreign Ministry is in continuous contact with the Bolivian Embassy in Moscow to learn all about the events occurring in the USSR and has contacted several friendly countries, particularly the countries that are Rio Group members, to exchange information and criteria on the latest events developing in the USSR.

Official Government Spokesman Mario Rueda Pena has pointed out that it is still premature to make comments, but, he said, we believe that all countries—including the USSR—must domestically find solutions to its problems.

[Begin Rueda Pena recording] Regarding international policy, Bolivia adopts principles that it respects religiously because they are part of the juridical inheritance of the international community and part of the democratic philosophy. One of these principles is the self-determination of the peoples and the need to prevent one government from meddling in the domestic affairs of other countries.

There is also another principle, however, which consists of supporting the democratic processes under way in all countries of the world. When I say all countries of the world, I am also referring to the USSR. [end recording]

Brazil

Collor, Menem Assess Coup, Gorbachev Ouster

Menem Arrives in Brasilia

PY1908020291 Buenos Aires TELAM in Spanish 2351 GMT 8 Aug 91

[Text] Brasilia, 18 Aug (TELAM)—Argentine President Carlos Menem arrived at the Brasilia military air base shortly before 2000 local time [2300 GMT] for a 48-hour visit to Brazil.

Menem, who is accompanied by an entourage of 20 people, among them Foreign Minister Guido di Tella, was received near the presidential plane by Brazilian Foreign Minister Francisco Rezek, in keeping with Brazilian official protocol.

Menem will meet with his Brazilian counterpart Fernando Collor de Mello and with other Brazilian officials. The two delegations will analyze matters on the Common Market of the South, Mercosur, bilateral cooperation in the nuclear sector, border problems, and trade relations.

Menem Greatly Concerned

PY1908144691 Buenos Aires TELAM in Spanish 1421 GMT 19 Aug 91

[By TELAM special correspondent]

[Text] Brasilia, 19 Aug (TELAM)—Today Argentine President Carlos Menem expressed "great concern" over the consequences of USSR President Mikhail Gorbachev's ouster.

This information was released in Brasilia by Presidential Spokesman Humberto Toledo who explained that Menem was advised of the developments in the USSR early this morning.

The spokesman added that the Argentine president believes that "a step backward in the opening launched by Gorbachev will be extremely detrimental for world peace."

Toledo said that this morning Menem recalled the 90-minute meeting he held with Gorbachev during his visit to the USSR and "deeply regretted" the ouster of the Soviet leader and his possible "arrest and confinement, if it has taken place."

In response to questions about RSFSR [Russian Soviet Federated Socialist Republic] President Boris Yeltsin's request to the West the Presidential spokesman added that the president is closely following the developments in the USSR.

Presidents Express 'Deep Concern'

PY2008124091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1056 GMT 20 Aug 91

[By NA special correspondent]

[Text] Brasilia, 20 Aug (NA) — The presidents of Argentina and Brazil, Carlos Menem and Fernando Collor de Mello respectively, have jointly expressed their "deep concern" regarding the coup d'etat in the Soviet Union that overthrew Mikhail Gorbachev. They also expressed their confidence that "the values of democracy, peace, and justice will not be affected."

Menem had already expounded his harsh personal opinion on the sudden removal of Gorbachev from the Soviet Government when he stressed that it was a question of "a coup d'etat carried out by reactionary sectors that seek to return to an ideology that has been overcome throughout the world."

The two chiefs of state have been meeting in this capital since early on 19 August. They also expressed their hopes that "the important contributions that have resulted from the process of reorganization in the Soviet Union in the sphere of international relations will not be affected" following the forced removal of Gorbachev.

Menem and Collor stressed in a joint document that "they will continue to follow with special interest the evolution of the political situation in the Soviet Union," with the "firm hope that the tendency toward international peace and security will continue."

The two presidents expressed their concern regarding the sudden coup d'etat, although they are confident that "the values of democracy, peace, and justice of our times will not be affected."

Presidents Share Common Stance

PY1908170691 Rio de Janeiro Rede Globo Television in Portuguese 1617 GMT 19 Aug 91

[Relay from Brasilia by Alexandre Garcia]

[Text] Argentine President Carlos Menem's presence in Brasilia has prompted a common Brazilian-Argentine Government stance regarding the USSR. Brazilian and Argentine authorities are currently discussing the terms of a joint communique to be released this evening.

Regarding the acknowledgement of the new government in the USSR, the Brazilian and Argentine Governments are still acting cautiously. They maintain that they are following the developments closely and with great interest but that information received from Moscow is insufficient.

Brazilian Government sources have stated that it hopes the Soviet people will not be harmed and that the changes will not affect the political and economic democracy. Brazil and Argentina hope the new government in the USSR will honor all its international commitments, especially those which ended the arms race and that contribute to international detent.

Last June in Sweden, President Fernando Collor invited President Mikhail Gorbachev to visit Brazil on the occasion of the international conference on the environment to be held in Rio de Janeiro in 1992. Gorbachev said he would happily accept the invitation but made a comment which might have been a premonition: I will be there unless I have an accident on the way.

Leaders Sign Joint Communique

PY1908223091 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 19 Aug 91

[Excerpt] President Fernando Collor and Argentine President Carlos Menem have just released a joint communique on the situation in the USSR. In the communique, the two presidents express their profound concern over Mikhail Gorbachev's ouster. The communique also states that the two presidents will follow the development of the political situation in the USSR with special interest and that they firmly hope the tendency to preserve peace and international security is maintained in that country. [passage omitted]

Ministry Releases Communique 'Text'

PY2008003291 Buenos Aires TELAM in Spanish 2325 GMT 19 Aug 91

[By special correspondent]

[Text] Brasilia, 19 Aug (Telam)—Argentine President Carlos Menem and Brazilian President Fernando Collor de Mello issued a joint declaration on the situation in the Soviet Union tonight. In the joint communique, the two presidents express their hope "that the values of democracy, peace, and justice characteristic of our times will not be jeopardized."

The text of the joint communique, which was simultaneously issued by the Argentine and Brasilian Foreign Ministries during President Menem's official visit to Brazil, reads as follows:

"During a meeting held in Brazilia within the framework of the official visit the Argentine chief of state is paying to Brazil, Presidents Fernando Collor de Mello and

Carlos Menem expressed their deep concern over the current situation in the USSR.

"The two presidents hope that the values of democracy, peace, and justice that are characteristic of our times will not be jeopardized.

"They believe that the important contributions achieved at the international level during the Soviet reorganization process will not be undermined in order to safeguard the prevalence of dialogue over confrontation, peace over the arms race, and democracy over authoritarianism."

The joint communique concludes: "In view of this, the two presidents state that they will continue to follow the development of the political situation in the USSR with special interest, and they firmly hope that the tendency to safeguard international peace and security will prevail."

Menem Discusses Communique

PY2008042291 Rio de Janeiro Rede Globo Television in Portuguese 0330 GMT 20 Aug 91

[Report on interview with Argentine President Carlos Menem by reporter Alexandre Garcia at Alvorada Palace in Brasilia—live or recorded, questions in Portuguese with answers simultaneously translated by reporter from Spanish into Portuguese]

[Text] This is the first time the Alvorada Palace in Brasilia is functioning as the home for illustrious guests and this is the first interview with the first guest it has ever had.

[Garcia] President Menem, why did Brazil and Argentina release a joint note on the USSR?

[Menem] Because we are worried and do not want to see systems that have been entirely outdated being adopted again. Certain ideologies make no sense in the current, modern world in which interdependency among all countries is almost absolute. The absence of democracy and freedom in some countries creates obstacles for integration among all international communities.

[Garcia] Will this common position also be adopted regarding nuclear issues?

[Menem] Now, tomorrow, we will refer to this issue. We will also discuss putting an end to the production of nonconventional weapons in Brazil and Argentina. By nonconventional weapons we mean chemical and biological weapons and all other weapons that may cause irreparable damage to our countries.

Soviet Embassy Denies Coup

PY2008004891 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 19 Aug 91

[Text] The Soviet Embassy in Brasilia has released a note denying rumors that there has been a coup d'etat in Moscow. Routine at the Soviet Embassy apparently did not change much, but the atmosphere was a little tenser and embassy employees were watching the latest news from Moscow on television programs broadcast via satellite.

The embassy spokesman [not further identified] distributed copies of the decisions made in the Soviet capital to the press. He said the new government wants to put an end to anarchy and to the conflicts occurring in the separatist republics.

The spokesman denied rumors that there has been a coup d'etat. He said President Gorbachev was replaced because he was ill.

[Begin spokesman recording] I cannot say [laughs] that there has been a coup. What type of coup can it be if it has been decreed that the vice president replace the president? [end recording]

Rezek Comments on Relations

PY1908232091 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 19 Aug 91

[Text] The Brazilian Government is following with apprehension events in the Soviet Union and their effects on the international scene. These remarks were made by Foreign Minister Francisco Rezek, who feels that the internal crisis in the Soviet Union could totally change the international political situation.

[Begin recording] This crisis affects international policy, East-West relations, and international society as a whole. No one can ignore those people who have been following events in the Soviet Union over the past few months. They are aware of the new climate established in the world, which we have called the end of the cold war, the end of confrontations, and the end of the arms race. We all know that all those things have been the result of the regime established in the Soviet Union by President Mikhail Gorbachev. [end recording]

Rezek added that the Brazilian Government does not intend to sever diplomatic relations with the new Soviet Government, and voiced assurances that the agreements signed with that country are not in jeopardy.

Chile

'Deep Concern' Over USSR Developments

PY1908191091 Santiago Radio Chilena Network in Spanish 1700 GMT 19 Aug 91

[Text] The Chilean Government has voiced its deep concern over the latest developments in the USSR.

Acting Foreign Minister Edmundo Vargas has said that he still does not have enough information to risk an opinion, but voiced his concern over the fate of the reforms which have been carried out in that country.

[Begin Vargas recording] There are certain developments that cause concern and that might affect the democratization and detente process started by President Mikhail Gorbachev. We hope the developments in the USSR will not affect the optimism and hopes of the international community. [end recording]

Acting Minister Vargas said that the Foreign Ministry has been in contact with Chilean Ambassador in Moscow Clodomiro Almeyda and with the Chilean representatives at the United Nations and in Washington.

Vargas said the situation is very serious and disclosed that this afternoon he will contact Foreign Minister Enrique Silva Cimma, who is in Colombia, to discuss the situation.

Government Expresses Concern

PY2008030891 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 20 Aug 91

[Text] The Chilean Government regretted the coup in the Soviet Union. Minister Secretary General of Government Enrique Correa expressed the government's concern over what may happen to Mikhail Gorbachev. He also pointed out that, as President Patricio Aylwin said, there are no plans to break diplomatic relations with the Soviet Union.

[Begin recording] There are no plans to break relations; the relations are between states. What we say is that we deeply regret the situation in the Soviet Union and we especially express the Chilean Government's special concern for what may happen to Mikhail Gorbachev. We hope that the difficult situation affecting the Soviet Union will be resolved in peace and in full respect for the human rights of all Soviet citizens and the basic freedoms that were widely expanded under Gorbachev.

We also hope that whatever the solution, the process of political and economic reforms and the will for democratization and peace that characterized the Gorbachev government will be maintained as an unchangeable policy of the Soviet state. [end recording]

Aylwin Says Situation 'Worrisome'

PY2008020891 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 20 Aug 91

[Text] President Patricio Aylwin labeled today the events affecting the Soviet Union as worrisome. Aylwin added that this is not the time to withdraw Chilean diplomatic representation from the Soviet Union.

[Begin recording] [Aylwin] I believe that the democratic world was looking at the Soviet democratic process and the contribution made by Mikhail Gorbachev for world relaxation and peace with great admiration. One knows how these things start but one never knows how they will end. Therefore, this situation is very worrisome. I believe there are enough reasons to feel unease.

[Reporter] Some sectors are asking for the withdrawal of the Chilean ambassador in the Soviet Union.

[Aylwin] So far I do not see any reason to do that. We have to wait and see how the events develop. [end recording]

Soviet Embassy Quiet

PY2008025091 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 20 Aug 91

[Text] Soviet Ambassador Yuriy Pavlov is reportedly ill. There was complete silence at the Soviet Embassy, located on Colon Avenue, about the coup against Mikhail Gorbachev.

Since early this morning many reporters gathered in front of the Soviet Embassy. Despite their presence, no embassy official wanted to comment on the events taking place in the Soviet Union. Reporters were told that the Soviet ambassador was staying in his house in Los Dominicos District, where no one answered the door until an official came out to say that Yuriy Pavlov is sick in bed. But there were many vehicles inside and outside the ambassador's residence, which made people believe that an important meeting was being held.

Soviet Consul (Aleksandr Borisov) made a brief statement saying that he did not have much information on Soviet events. He did not want to answer any questions.

(Anatoliy Opolev), Aeroflot representative in Chile, also tried to avoid the press.

[Begin recording] [Reporter] Did you meet with the consul?

[(Opolev)] I cannot say anything.

[Reporter] What is the information you have?

[(Opolev)] I still cannot say anything.

[Reporter] But will the air services be maintained?

[(Opolev)] I believe so because we are an airline and we have to fulfill our commitments.

[Reporter] What is your position as a Soviet citizen?

[(Opolev)] Let us wait for at least one day to pass before we can saying anything because we do not have any information. [end recording]

Later about a dozen people arrived at the Soviet Embassy to request visas but only those who had visas were allowed to enter. The others were told to return on 22 August. Just after noon a police official met with an embassy official to implement a security system.

At 1700, militants of the PPD [Parties for Democracy] held a demonstration against the coup while PPD leaders delivered a letter to the Soviet Embassy's political adviser and the charge d'affaires condemning the coup and expressing solidarity with Gorbachev.

[Begin recording] [PPD leader Erich Schnake] They expressed their profound concern over the situation in their country. They had no more information than what we have. [end recording]

Schnake added that embassy officials expressed their hope that the situation will be restored and human rights will be respected.

PN Supports Pinochet's Presidential Candidacy

PY1908212091 Santiago LA TERCERA DE LA HORA in Spanish 13 Aug 91 p 8

[Excerpts] The National Party (PN) has decided that current Army Commander in Chief General Augusto Pinochet will be the only presidential candidate it will support in the 1993 presidential elections.

A PN spokesman reported that the decision was made at a meeting of the PN political commission. The meeting was attended by 15 members and presided over by attorney Claudio Morales. [passage omitted]

Pinochet will have to resign his current post if he wants to run as presidential candidate.

This is the first time since the 1989 presidential elections that a political group has mentioned Pinochet as a possible candidate to replace the current government of the center-leftist Coalition of Parties for Democracy. The PN currently is led by economist Alvaro Bardon, the former State Bank chairman.

Matthei Refuses To Rebut Retired Generals

PY1708131891 Santiago Radio Cooperativa Network in Spanish 2300 GMT 16 Aug 91

[Text] Former Air Force commander in chief, General Fernando Matthei, retired, has said that he will not reply to a public statement issued by 14 former generals of the Air Force, headed by Gustavo Leigh. [The statement by the retired generals called Matthei disloyal and accused him of lying about several events following a televised interview with Matthei.]

Matthei said: I have my own opinion, and I have concluded that I will not reply. I will not refer to opinions that are absolutely personal.

* UDI Vice President Explains Party Plans

91SM0437A Santiago HOY in Spanish 15 Jul 91 pp 10-12

[Interview with Jovino Novoa, vice president of the Independent Democratic Union, by Mauricio Gallardo; place and date not given]

[Text] The vice president of the Independent Democratic Union (UDI), Jovino Novoa, was a special political individual in the eyes of Jaime Guzman.

"I always consulted Jovino about negotiation procedures," he said, commenting that despite his slow and almost faltering speech, this clear-eyed lawyer with the well-trimmed beard was an excellent political strategist.

At the age of 43, Novoa, who appears more contemplative than impassioned, is a man whose political experience includes an early stint with Alessandri, in the 1964 campaign; his work as undersecretary general of government, in 1979; and his role as founder of the UDI, after the break with RN [National Renewal].

Novoa worked with Guzman from the Alessandri era on. Prompting a sometimes compliant fascination in the leader and other absolutely loyal individuals, this lawyer was nonetheless able to play the role of older brother the UDI needed after Guzman died.

Calm in his manner of speaking, he was quite willing to talk with HOY about his party, which three months after the death of its leader undertook to hold a doctrinary congress, assigning the encyclical Centesimus Annus a more or less prominent role in the debates, and showing readiness to discuss the representation of social ideas in the Church.

[Gallardo] Are you realizing an old dream of Guzman's with this doctrinary congress?

[Novoa] In fact, we talked a great deal before his death about holding a doctrinary congress. We wanted to make our declaration of principles more profound, to reduce these principles to concrete proposals, and to end up with a kind of government program.

[Gallardo] When Guzman spoke about a doctrinary congress, he made a reference to the Falange, and dreamed of making the UDI the DC [Christian Democracy] of the 21st century.

[Novoa] Yes, there may be, in fact there is, a similarity. This was even noted by a veteran Falangist, Senate President Gabriel Valdes, and I believe that it was mentioned to President Aylwin and to Krauss, in connection with Jaime's funeral. He put it in a form pleasing to us. They said that they were much moved by the UDI, because they saw a certain identification in three basic respects—with regard to the mystique, the Christian inspiration, and the popular feeling.

[Gallardo] Many of those who started out with the UDI were the sons of Falangists—Hernan Larrain, Ernesto Illanes....

[Novoa] This happened in some cases, but not the majority. Jaime was a conservative, while I was a liberal. But yes, there was a certain identification.

[Gallardo] The Falange wanted to interpret the social doctrine of the Church. What effect is Centesimus Annus having on you?

[Novoa] We see it as an important element in a political definition, but we could not say that it is the only one. We have said we want a party with a Christian inspiration, but not a denominational party.

[Gallardo] Has it been difficult to maintain harmony in the UDI since the death of Guzman?

[Novoa] No, frankly, it has not. Perhaps internally Jaime's absence continues to be felt, because we do not have his opinion to depend on.

[Gallardo] Might there be a change of leaders at the conclusion of the doctrinary congress?

[Novoa] I do not think so.

[Gallardo] But could we expect a contest?

[Novoa] No, not really, because I believe that in reality, the current board of officers has faced great challenges and has overcome them very well. You must realize that I took office when Jaime resigned from the presidency. These were difficult times. We were just emerging from the crisis with National Renewal. Then we coped with the electoral challenge with considerable success. I believe that during the first year of democratic normalcy, the UDI succeeded in winning space for itself, as well as greater support within our sector. And the fact that after Jaime's assassination, the officers took the impact of this event and faced up to the problem is a fourth factor. After the passage of three months, we are strengthened. I find it difficult to imagine that any officers could have done better. And I believe that the membership of our party understands this.

[Gallardo] Might new elements be incorporated, nonetheless?

[Novoa] Yes, that could be. The addition of one or two new individuals cannot be excluded, but this does not mean a change.

[Gallardo] What will happen with regard to Hernan Larrain?

[Novoa] Well, the party has various levels, and various individuals are a part of them. I believe that the political commission will incorporate several good elements. Hernan is in charge of the doctrinary congress. This is as important as a position on the political commission. The same is the case with Hernan Buchi, who serves on the electoral commission. He knows many people in every part of the country. This is a very important commission, in our view.

[Gallardo] Do you plan to compete with the PDC [Christian Democratic Party] for the same political space?

[Novoa] If the Christian Democratic Party modernizes itself, I believe that it will be a rival. Otherwise....

[Gallardo] Are you going to win your own space?

[Novoa] I believe we will.

[Gallardo] How?

[Novoa] Viewed from the outside, the Christian democrats can be seen to be a party hindered by political compromises, very slow in its general administration. I am not very eager to express an opinion about its members, just as I wish they would leave the UDI alone. However, it is obvious that they are concerned about this.

[Gallardo] How is the UDI going to attack the popular sector?

[Novoa] The first thing has to do with our socioeconomic postulates. We must be very consistent in avoiding the defense of established interests, whether they be the interests of business or trade-union sectors or pressure groups. We must always look toward measures which benefit the people in general. We have seen, for example, that defending the trade unions and their guarantees does not serve to defend the workers or the poorest people. Basically, what we want is to be the voice of those who have no voice.

[Gallardo] Is there a major change in terms of what your history has been?

[Novoa] I am speaking of a silent majority—the poorest, least organized people. When we say that we are opposed to an increase in taxes we are not thinking of the professional people, but of the fact that a system of lower taxes generates more investment and more work, and what the people need is more work.

[Gallardo] One can see that the country is turning a page. Thus we are no longer thinking about 1989, and the most important date is 1993. What is in your minds?

[Novoa] This almost borders on fantasy. But our determination is to strengthen our presence throughout the country and to do everything possible to hold municipal elections, offering candidates in all of the communes. And also in the parliamentary election, although we know that we have a natural ally, and we will continue to support this alliance, in accordance with what the system allows.

[Gallardo] What about the presidential candidate?

[Novoa] We will have our own candidate. That is definite. But we will have to wait and see in what context this occurs. It is impossible to predict that today. We are considering various possible candidates.

[Gallardo] I do not imagine you will give us any names?

[Novoa] No, but the possibilities may range from veteran militants to individuals who have joined us, and who have some experience as candidates.

[Gallardo] Do you see any political viability for General Pinochet?

[Novoa] I believe that he is above politics.

[Gallardo] He was president of the Republic for 17 years, or in other words, involved in pure politics.

[Novoa] But in terms of our analysis, Pinochet served as president in order to carry out a task, which I believe has now been completed.

[Gallardo] Do you continue to think that, taking the Concertation into account, the 1993 election is a lost cause?

[Novoa] No. Truly not. We know that the Concertation may put forth a very powerful candidate, but there is one personality who has said that the presidential election may be a six-party affair. With six candidates, many things could happen on the second round.

[Gallardo] Are you in agreement with an extension of the Aylwin administration?

[Novoa] I do not think so, no. The direct answer is no. This would be a very artificial thing, and the people would probably see it as a political settlement which

excludes the country, the real concerns of the country. And I am concerned about this—not the extension of the terms, but because we politicians are debating what electoral system suits this or that faction, and whether the elections should be here or there. I am afraid that the political world is moving away from the real world, from the people it seeks to represent.

[Gallardo] What is your approach to the analysis of the copper conflict?

[Novoa] Here we see a problem of unsatisfied expectations, probably generated by the campaign. In all labor relations, there is going to be conflict. It is necessary to accept that as a basis. But I believe that in order to deal with the copper conflict, it is very important that steps be taken to reorganize Codelco [Copper Corporation] on a more rational basis. I do not mean to assign responsibility to anyone in this government, because these steps were not taken during the military government, either. It is obvious that the current structure is not the most suitable one. For example, the role of the government in the conflict is quite unclear. There are days when the minister of mining says he is the president of Codelco and puts out statements, and then later he says no, the government is not involved.

[Gallardo] Could these changes be related to the 10-percent tax on Codelco profits, which by law must go to the armed forces?

[Novoa] We believe that the armed forces should have a budget, perhaps comparatively high in comparison to other countries, but, logically, consistent with the extent of our frontiers. I believe that it would be a bad thing to return to the vices of the past in a spirit of revenge.

[Gallardo] Does it seem to you that a desire for revenge plays a part in the demand for the revocation of this tax?

[Novoa] No, but I find it worrisome that a debate is developing at the same time. And in addition, if Codelco were a private company, for example, no burden of this sort could be imposed.

[Gallardo] However, you are not opposed to a discussion of this subject. That is not a dogma of the UDI.

[Novoa] No. In this regard there is no dogma.

* Unrest in Congress Becomes 'Small Rebellions'

91SM0437B Santiago HOY in Spanish
15 Jul 91 pp 14-15

[Text] One fine day, tired of being reviled and of the fact that no one understood the tremendous sacrifice represented by the travels they undertook and the exhaustion they suffered, of having no attention paid to them, and of having their work reduced to raising their hands to support the government, the boys in the parliament announced a revolt.

As no one believed them when they did this, either, because the "higher interests" of the fatherland, democracy, the transition and stability urged the contrary, they chose to call attention to themselves.

Then they began to delay the pending work. To speak to the daily newspapers about the lack of consideration on the part of the executive branch. To fail to vote when asked to do so. To engage in angry disputes with the ministers, their eternal adversaries, whom they have even classified as "approachable" and "unapproachable." Those in the political area are among the former, while the second category includes German Correa, Juan Hamilton, Luis Alvarado, and Jorge Jimenez.

More than that, they deliberately chose a holiday, 4 July, when the students were saluting them with parades, treating them with refreshments, and rendering homage to them on every side, to establish their position with the individual who could take a hand in the matter—the president of the Republic. The slogan seemed to be "if this is not settled, someone will pay for the damage."

Because it is not a matter of going there and telling them to approve this bill within 48 hours (immediate discussion), or of pressing projects upon them (100 sent for processing by the executive branch at this time), or of pursuing negotiations in Santiago and the La Moneda Palace, or of criticizing them for inefficiency, or—on top of it all—of not giving even the slightest sign that some changes will be made.

If the issue were as superficial as that, this would be more or less the sum total of what caused the decline in the authority of the legislative branch. Or, what comes to the same thing, the legislators' loss of real power.

Obviously, they have all put up with these conditions for a year and a half already, because it is also true that after 17 years of being shut down, in an institution with 167 votes which is supposed to study and propose laws on the basis of a mechanism which is unknown to the majority and has been forgotten by the rest, and when everything is regulated to an extreme point, the wheels could hardly turn perfectly.

And because this is a transition government for only four years, in which it is necessary to push in the same direction in order to consolidate what has been so long in coming—the democratic system.

But now, and they are saying this in a loud voice, enough time has already passed. And while it is not realistic to expect the most basic constitutional and legal reforms to transform the Congress into an apparatus with greater initiative, supervisory authority, and negotiating capacity, at least—and here all of the critics point to the La Moneda Palace—one can see a real desire to give the legislators more room or better treatment.

The speech delivered by Gabriel Valdes on 4 July, the date of the commemoration of the founding of the National Congress 180 years ago, urged the need for an amendment of the norms in effect in order to balance these branches of power.

He said that this excessively presidentialist system is such that those in the executive branch are unwilling to give up even the tiniest bit of the authority they have. As their contribution is necessary to undertake major

reforms—of the Constitution and the organic constitutional law on the National Congress—the door is practically closed to the legislators. Except that if they insist this much and demonstrate their discontent, some of their demands will be heard.

Some initiatives have been launched. Last year, Deputies Jorge Schaulsohn, Jaime Estevez, Carlos Montes, and Gutenberg Martinez sponsored a draft reform of the organic law which "balances" some of the authority, particularly in the realms of supervisory activities and the establishment of priorities.

But to get to the bottom of the problem, in other words to grant the legislative branch more authority, what would be necessary would be a change in the political system, in its most extreme aspect—in other words, the semi-parliamentary system which has been urged for some time now.

According to Valdes, this idea may be gaining greater weight and winning more supporters, "above all among the younger legislators," as they see a lack of any signals that the current problems will be dealt with.

The president of the Senate believes in an intermediate formula which would correct various current shortcomings, and for which the Constitution provides. It would involve a kind of minister plenipotentiary appointed by the president to serve in the Congress with the task of centralizing the handling of all proposals. In other words, he would concern himself with going to the authorities on each of the proposals, organizing negotiation sessions, and listening to suggestions, among other tasks. This would contribute greatly to the resolution of the problems originating in the geographic separation of the two branches.

The Four Concerns

What weighs most heavily on the legislators, in practice, is, first of all, the "urgent" classification imposed by the executive branch, which almost always imposes such narrow limits that there is no possibility of discussing the proposals in depth, gathering the opinions of the sectors involved, and making the pertinent suggestions. The second problem is that they are not taken into account in political negotiations. And third, they are not informed of reforms in advance. A fourth complaint is that there are too many areas in which legislative initiative by the congressmen is prohibited.

The Senate, in particular, wants at least two traditional attributes returned to it. They are the authority to approve promotions of officers in the upper ranks of the armed forces, and the authority to approve ambassadorial appointments.

The problem is felt most forcefully by the Concertation legislators, who cannot go against the government, and who feel that they are paying the highest price with their electoral supporters and their parties.

For this reason, there have recently been minor rebellions. The PPD [Party for Democracy]-PS [Socialist Party] bench has let the government know that it will reject any major proposal on which the legislators have not been consulted. And this has already been done in practice in connection with a proposal by Minister of Transportation German Correa. Furthermore, they are seeking a similar statement from the DC [Christian Democracy] bench.

Other legislators have begun to act independently with regard to proposals which affect the interests of their electors, on the basis of personal decisions. In other words, they have ceased to pursue a policy of approving everything coming from the government without taking the time to negotiate or amend the texts.

And the majority have chosen to reject the "urgent" bills, to delay the work in the commissions, or to ask the executive to alter the "urgent" classification. In this connection, the Senate has been much more successful than the Chamber of Deputies.

Since this is absolutely a multiparty issue, in which the government-opposition differentiation plays no role, the impact of an organized reaction may lead to yet another headache.

* Military Expresses Concern Over Budget

91SM0437C Santiago HOY in Spanish 15 Jul 91 pp 6-7

[Article by Maria Irene Soto]

[Text] In the Army, it is known as HV-3. This is the abbreviation for Neighbor Hypothesis No. 3, or the necessary strategy the military institution must develop in order to deal with a possible future conflict with the three countries adjacent to Chile—Argentina, Peru, and Bolivia.

It was to HV-3, precisely, that General Rodrigo Sanchez Casilla, chief of the General Staff of the Army, devoted the most time in the course of the explanation he gave President Patricio Aylwin at the La Moneda Palace on Wednesday, 10 July. This was a meeting attended by General Augusto Pinochet and his general staff, and Minister of Defense Patricio Rojas, Undersecretary Marcos Sanchez, and Minister of Foreign Relations Enrique Silva Cimma, in addition to the president. This meeting, moreover, had been scheduled for the month of August, but President Aylwin wanted it held sooner in view of his planned trip to Argentina in that month and his current trip to Colombia, El Salvador, and Mexico. Although the participation of the chief of the General Staff for National Defense, General Luis Henriquez Riffo, in this meeting was not planned, he did attend because of the subject which was discussed.

In the event of war, the body he heads would have the responsibility for drafting the national war plans and those for each field of action, as well as for the necessary coordination of the various branches—air, land, and sea—which would participate in the operations.

So much for the formal aspect. Because with regard to the more political background, what the government

wanted to hear was the Army's technical arguments in support of the demand that the budget of that branch for 1992 be maintained without reductions. And in this connection, it also wanted to send a message to the Army, which fears a harsh battle in the Congress when it comes time to discuss the budget, above all because of the proposal by a PPD [Party for Democracy] deputy that a part of the military budget be diverted for social purposes.

The Army has argued that although the armies of the neighboring countries are not in a very good situation domestically (the Argentines are still burdened by the defeat in the Falklands, and the Peruvians are still rather involved with the Shining Path), it is equally true that the Argentines have insisted on recovering Patagonia, the Peruvians have insisted on reestablishing their sovereignty in the northern zone, and the Bolivians are adamant about acquiring a permanent outlet to the Pacific Ocean.

To this must be added the recent boundary problems with Argentina in the Laguna del Desierto [Lake of the Desert] sector and in the Campos de Hielo Sur [Southern Ice Fields], located 400 km south of Villa O'Higgins. In fact, it is possible that these two issues will be taken up at the summit meeting scheduled for August, which Aylwin and Menem will attend.

What the Army wanted to make clear at the La Moneda Palace was that the Chilean armed forces, although superior to the Argentine Army, for example, are not vastly so. One of the arguments put forth by the military is that they have only one mechanized infantry battalion, while almost all of the infantry battalions in Argentina are mechanized. And while Chile has no aircraft carriers, Argentina, on the other hand, has at least one.

Concretely, what the military officers said is that the geopolitical and geostrategic picture on the continent is not such as to permit the Army, on its own, to reduce its budget for 1991.

A Double Agent?

Although no other subject was discussed during the lengthy meeting (it lasted about three hours), a certain apprehension could be sensed among the military about the possibility that approval of the budget sent by the executive to the Chamber might be rejected, specifically by the socialists. The minister of defense has said that the government will not reduce the budget.

The Army believes that the report in the daily newspaper LA EPOCA about the existence of a spy ("Max") and his relationship with "Charly," an individual on the staff of the Army Intelligence Office (DINE), might be used by the left wing as an excuse for creating obstacles in connection with the budget.

In the judgment of some personnel in the Army itself, that institution was wrong to opt for silence on this matter. The only officer who has put forth some defense in this regard is Colonel Cristian Labbe Galilea, who retired from the Army in the middle of last year. In the periodical EL PAIS, on whose editorial committee Labbe serves, he maintained that "the problem is that in the intelligence field, we are getting into very complex territory, wherein the analysis process must be serious and knowledgeable." And then he gave out some hints. He said that "terrorism, despite an apparent decline, could be developing two types of schools—one for guerrilla fighters, and another to train cadres."

What lies behind Labbe's words?

First, he is indirectly approaching a fact which no one in the Army would dare to admit publicly—that it continues and will continue to engage in intelligence work, which it regards as an obligation emanating from the Constitution itself, which assigns to the military the function of guaranteeing institutional stability. Concretely, this means that the military are determined to continue to gather intelligence from all of the political parties and organizations in which it is believed that movements designed to destabilize the legally established order might be developing.

Secondly, although the information provided by "Max" to his control agent "Charly" seems unimportant, in reality it may not be. Labbe says that "very often, a fact which seems low level and unimportant may have unsuspected significance in the intelligence field."

This statement pertains to matters which are being considered in Army intelligence circles, but are not in the public domain. Intelligence officers believe, for example, that the Socialist Party is being used as a channel by some exiles or children of exiles who are returning to the country to join ultraleftist groups. They believe that these are people with military experience acquired in the Central American guerrilla forces, while, on the other hand, they have no background in Chile. This fact, they say, would make it very difficult to identify them.

Individuals in military intelligence circles say that they know of training schools and methods sponsored by ultraleftist groups in the southern part of the country. And, they say, they would provide the Senate of the Republic with this information, if necessary, so that a debate could be launched on the intelligence issue. This is something which has to date been prohibited by the Army, and which the government has placed in the hands of the Carabineros and the investigative services.

* Interior Minister Views Elections, Terrorism

91SM0438A Santiago ERCILLA in Spanish
3 Jul 91 pp E8-E11

[Interview with Interior Minister Enrique Krauss by Maria Angelica Rodriguez; place, date not given; first three paragraphs are introduction]

[Text]

Consensus, Not Confrontation

The cabinet minister, who agrees that his name could prevent confrontations in the PDC [Christian Democrat

Party] elections, says that Santiago is not an unsafe city, even though there has been a rise in crime.

Bucking the odds and ignoring advice from Senator Andres Zaldivar, the president of his party, who said he was making a "political mistake," Interior Minister Enrique Krauss went to Pucon to open the National Seminar of Mayors, which was attended by 275 of a total of 325 city chiefs, most of them appointed by the previous regime.

It was not exactly a progovernment gathering, but the minister contends that nothing is gained by preaching with great enthusiasm about saving souls to those who attend Mass, because they are already saved. One must preach to those who do not believe, even at the risk that they will eat the missionaries.

And the cabinet minister was game....

[Rodriguez] Do you think that the mayors whom the administration has inherited have thwarted its efforts in the municipal arena?

[Krauss] There are all kinds. There are those who have cooperated wonderfully, realizing that their purpose goes beyond government-opposition politics; they are fulfilling their commitment to serve. There are others who think that mayor's offices are a sort of platform from which to project partisan positions and even to gain political and personal advantages.

[Rodriguez] One group of mayors is saying that funds have been distributed in accordance with political criteria, which has done them enormous harm....

[Krauss] We have demonstrated clearly that this is not so. The fact of the matter is that the country's overall funds have shrunk, and what has been done is not to distribute them arbitrarily or with paternalistic criteria. Rather, we have tried to establish very objective patterns about the realities of each town, and the Common Municipal Fund is apportioned accordingly. These points have been proven clearly enough. Today we have proposed a law to reform the system of municipal revenues, which is going to enable us to lend greater solidity to the principle of financial autonomy, which we see as the key to the development of the municipalities.

[Rodriguez] Deputy Pablo Longuiera from the UDI [Independent Democratic Union] has accused the administration of keeping its books with an eye towards future municipal elections, for which it is putting aside funds that are earmarked for social spending....

[Krauss] That is completely false. The budget cannot be misused because we have an ethical approach to the exercise of power, and fortunately this approach is widely shared in the administration; moreover, the existing systems for keeping budget matters out in the open prevent such misuse as well.

[Rodriguez] Speaking of elections, they will be held this year in your party. Some legislators have asked you to run for DC president....

[Krauss] Yes, some indeed think that my name could forge some degree of consensus that would prevent confrontations. We Christian Democrats are very devoted to the search for consensus. The truth is that this prospect does me great honor, but I have not yet made any decision about it because I have a crucial commitment, which is to help President Aylwin in his efforts. This is my job.

[Rodriguez] Have you spoken with President Aylwin about this possibility, this request?

[Krauss] Of course. I told him, and we have agreed that it is not a matter on which I ought to make a decision for the time being, since it is just a prospect. There are other candidates (I am not) who have very fine party, political, and personal qualifications; so, there are others who want to sacrifice themselves for the party more than I do, and such aspirations ought to be satisfied.

[Rodriguez] Mr. Minister, your name is being mentioned as a potential presidential candidate. Would you agree to be a candidate if your party deemed it appropriate?

[Krauss] I try to be altogether genuine. I think that just as there could be no more honorable aspiration for any Christian Democrat than to be president of our party, there could be no more honorable ambition for any Chilean than to be president of the Republic. But I view the issue realistically, with my feet very firmly on the ground. I think that it is a major challenge. I think that there are other hopefuls in the administration and in the opposition who have many qualifications; so, it does not trouble me. I feel that in politics there are two days that, while I would not call them useless, we should not get too worked up over: yesterday and tomorrow. We have to live today, and today I am the minister of interior, and this is what I am involved in.

[Rodriguez] Senator Eduardo Frei contends that the DC's presidential candidate has to be chosen by the party's rank and file, with all of its members voting. Do you think that this is a good approach?

[Krauss] I think so. I think that we have made a great effort at democracy and that the country, in keeping with what is happening in the world, has been identifying more and more with the idea of real involvement.

[Rodriguez] The polls show that your party remains the largest in the Coalition and, therefore, would have first choice in nominating the group's candidate. Am I right?

[Krauss] From my perspective as a Christian Democrat, yes of course. I think that we have been the hub of the Coalition and that we have given evidence that we are flexible. I do not think that we have the desire for predominance that we are accused of, and I feel that we are entitled to hope that a man or woman from our ranks is the nominee, the nominee of the Coalition too, I hope. I think that this has shown itself to be a very fine political approach, and we have to make every appropriate effort to preserve it. Nonetheless, I feel that a decision depends on an agreement with the other parties in the Coalition,

because when we speak of democratic practices, they must go all the way, and this means coming to terms on a candidate.

[Rodriguez] Minister Ricardo Lagos asserted that he had no doubts that, if a second round of balloting were ever held, DC would support a Socialist candidate....

[Krauss] This assumes that there would not be a single Coalition candidate. In such a case, I think that he is getting ahead of himself on these decisions. Now then, I think very clearly that my party has no complexes about supporting a candidate from another party in the Coalition, but such a decision will have to be made on the basis of specific, concrete conditions.

A Fair Policy

One of the flanks on which the administration has been attacked most often is its ineffectiveness in combating terrorism. In the opinion of Minister Krauss, this terrorism is caused by people who are drunk with ideology and have not noticed the changes that have taken place in Chilean democracy.

[Rodriguez] What were the most important ideas about combating terrorism that you picked up on your trip to Europe?

[Krauss] We are seeking to establish judicial and institutional mechanisms with which to respond to terrorism. We are interested in seeing how Europe's democratic governments have organized the political administration and the police. We have been finding that what we have been putting together in Chile is quite similar to what exists in Europe: a small police- and political-intelligence group that advises the government agency, usually within the Interior Ministry, that is in charge of setting up the police operation proper.

[Rodriguez] The Advisory Council on Security....

[Krauss] This is the seed of an agency that will have to be given a much broader profile, probably under a law that has input from the various sources of intelligence existing in the country so that the operations of the police bodies can be coordinated. In a future stage we would then have to organize a sort of intelligence service, which would have in its possession all of the background information and measures, a sort of superintendency; it would report directly to the president of the Republic. I think that with the experience we have gained, which we will check against the past reports from police agencies, and with input from the intelligence services of the armed forces, which are working with us, we are putting together a quite appropriate organization.

[Rodriguez] What about technical support?

[Krauss] We have also asked other countries for technical support, because when missions have come here (we have had Spanish and Italian missions here), they have thought very highly of the quality of Chile's police personnel.

[Rodriguez] Businessman Ricardo Claro contended that the Spanish police came to learn from Chile how to combat terrorism....

[Krauss] What apparently happened was that a military-intelligence service came to work with the security agencies under the previous government. This was while the caudillo was still alive, so what there was a technical transfer for purposes in different models. We are not learning today from the Spaniards. We learn from and teach each other.

[Rodriguez] While the members of this Public Security Council meet with political leaders to decide on its final form, the MIR [Movement of the Revolutionary Left] holds a press conference at which it defends the validity of violence....

[Krauss] To be more exact and to place things in their true dimension, it was a faction of the MIR, because there is another that for some time now has been committed to the transition and has been quite consistent with its decision.

[Rodriguez] Are you in favor of a get-tough policy or dialogue with terrorists?

[Krauss] I will repeat an idea that is not mine, that Leighton inculcated in me. Bernardo taught me that in politics one needs a fair policy, not a get-tough policy. And this is the policy that we are trying to pursue. Get-tough policies are often just a reflection of weakness, as they force a normal, open hand into the shape of a fist.

[Rodriguez] Some time ago the extremist groups were given a chance to turn in their weapons without reprisals being taken against them. What was their response?

[Krauss] Minimal. There was very little response, almost none. Perhaps we made a mistake there. Perhaps we should have conducted a broader outreach campaign by publicizing this more, but we did not. We are now resorting to less orthodox methods. There is a very large arms market in the country, because many of them are from the Carrizal shipments and others. We are making a major effort to deactivate this market.

[Rodriguez] Three months after the murder of Jaime Guzman what can you tell the citizenry about the progress of the investigation?

[Krauss] I would tell them that they must have confidence in the police and that all appropriate efforts are being made. I would ask them to realize that this, like any other delicate matter, cannot be reported on in daily press releases. Work is proceeding; there are positive signs that may indicate that the police have serious, definite leads.

[Rodriguez] Some legislators called for your resignation for failing to do your duty in security matters....

[Krauss] Of course, and they thus demonstrated their ignorance of our institutions. This is a presidential regime; we ministers do not depend on the confidence of

Congress. I am willing to fully assume the responsibility for security that our institutions and this country's tradition assign to me.

[Rodriguez] The opposition is upset about how the issue of the so-called political prisoners is being treated. Francisco Javier Cuadra charged that they are seeking to become a State within a State....

[Krauss] I think that the talk is a bit exaggerated. This issue is a reality that we have inherited. I am not making an ethical value judgment, because I never justify an act of violence. But, well, there are even philosophical reasons and a specific reason and an overwhelming political fact, a form of State terrorism that is part of the country's recent history, that explain why some people were tried or convicted without the guarantee of due process. We had to defuse this situation. We are aware of the problem and we have to find an answer to it within our legal system, and we see pressure tactics, like hunger strikes, as inappropriate. The need to balance these situations out does not mean that we are acknowledging a privileged status for these defendants.

[Rodriguez] UDI legislators have protested what they call the "alarming negligence" of allowing four persons charged with security crimes to escape from El Manzano Prison in Concepcion....

[Krauss] The director of prison guards has explained that it was not an escape. Rather, from the standpoint of their personal opportunities they stupidly violated the favorable arrangements that they enjoyed under prison rules.

Self-defense

[Rodriguez] Do you agree that Santiago is an unsafe city today?

[Krauss] No. I think that there are unquestionably signs that crime is on the rise; this is characteristic of all big cities around the world. I am not trying to justify what is going on here because of what is happening elsewhere, but there are unquestionably cities on our continent that are significantly more unsafe than Santiago. This is the case with some in North America, for example. But objectively speaking, crime is not at any striking or record level in our country today.

[Rodriguez] If the State is unable at a particular moment to guarantee the safety of its citizens, is it legitimate for the community to organize to defend itself?

[Krauss] I do not think so, because guaranteeing safety is one of the tasks of the State. In spite of the imagination that has been devoted to the issue, it has not occurred to them to privatize this responsibility. The organization of the community could be a complementary element, but entirely under the sponsorship of the State. In this connection, we are making it a point to tell companies that they ought to organize their own security arrangements, but not by hiring some fellow, putting him in blue overalls, and giving him a nightstick of so-so quality. Security coordinated by the State, mainly by the police forces, can be suitably complemented by these kinds of groups, and we are preparing a bill on this matter. As is the case in other countries, those who have money (because they make profits) must include security among their costs, and to the extent that they do so, we are going to be able to provide sufficient police protection for the groups that cannot (I am thinking about the shantytowns).

A Unified World

At the same time as floods plunged Antofagasta into tragedy, a storm of criticism rained down on the administration for its alleged slowness in providing aid.

[Rodriguez] General Augusto Pinochet contended that things work well only when there is a unified command and that the Army had experience in this....

[Krauss] I would rather not make the snide remark that the Army is an expert in disasters. What I will say very seriously is that the armed forces in general are extremely useful in any emergency, and they showed this in Antofagasta, where there has indeed been a single commander: the intendant of the province. The efforts have been efficient after the first few hours of the disaster, and we have shown what sort of relations exist between civilians and the military in the country. The aid has been distributed with the support of the Army, and the civilian government has cooperated with the victims in this institution, at their request.

[Rodriguez] Have you done any further investigation into the authorship of the report from military sources charging that there were irregularities in the north?

[Krauss] The Army submitted a communique indicating that the report may have been drawn up by an officer and that it was not an intelligence report. It could be an initial report earmarked for some service, or a personal assessment, as the communique says, summarizing several rumors that were circulating in the city.

[Rodriguez] Carmen Frei stated that the report was an attempt to drive a wedge between the government and the armed forces.

[Krauss] There are those who might agree with her opinion, but I have no specific information that that was the intention. And I would rather not prejudge even the author of these lies, or those who conveyed them to the mass medium that reported them, or that mass medium. I think that we ought to fill our backpacks with as little negativism as possible; so, to lighten them up, I continue to think that it is just a silly document.

Ecuador

Officials Comment on Events in USSR

PA2008032491 Hamburg DPA in Spanish 2213 GMT 19 Aug 91

[Text] Quito, 19 Aug (DPA)—The Ecuadoran and Colombian foreign ministers have expressed their uneasiness today over the events in the Soviet Union but

agreed that it is best to wait for the course of developments, following the sudden removal of President Mikhail Gorbachev.

Although Presidents Rodrigo Borja and Cesar Gaviria, who are meeting today in Quito, have not made any statements yet, both the Colombian and Ecuadoran foreign ministers voiced their concern over the developments of the past few hours in the Soviet Union.

The Colombian Government is "deeply concerned" about the political change that has occurred in the Soviet Union and about the potential implications it might have for peace and world stability, Colombian Foreign Minister Fernando Jaramillo stated upon the arrival of Colombian President Cesar Gaviria's entourage here.

For its part, the Ecuadoran Foreign Ministry announced in a brief message released this afternoon that it is following "with keen interest the developments in the Soviet Union."

A spokesperson for the Quito Foreign Ministry said that the content of the statement to be issued by the two presidents at the end of the Colombian president's visit to Ecuador has been discussed and approved, but he did not dismiss the possibility that the presidents may include in it some reference to the Soviet situation following Gorbachev's ouster.

President Borja State of Nation Address

PA1608221091 Quito Radio Networks in Spanish 0129 GMT 15 Aug 91

[State of the nation address by President Rodrigo Borja Ceballos at the National Congress Building in Quito — live]

[Excerpts] Mr. President of the National Congress, Mr. Vice President of the Republic, Mr. President of the Supreme Court of Justice, Messrs. legislators, Mr. President of the Court of Constitutional Guarantees, Mr. President of the Supreme Electoral Tribunal, Messrs. Ministers of State and Members of the Cabinet, Mr. Apostolic Nuncio, dean of the diplomatic corps, Messrs. Ambassadors accredited to the National Government, Messrs. Commanders Generals of the Armed Forces and the National Police, Messrs. representatives of international organizations, ladies and gentlemen.

In my message of peace and unity to the Ecuadoran people during my inauguration on 10 August 1988, I outlined the basic goals of my administration. First, enforce full respect for human rights, people's rights, and the rules of democracy. Second, decisively strive to solve the economic crisis and prevent the country from falling into the economic, social, and political chaos that is was headed for had the 1988 trends persisted; and proportionately distribute our unavoidable sacrifices among all the economic and social groups of the country. Third, prepare Ecuador, through structural changes, to counter the challenges of integration and a new international economic order. Fourth, recover the status that belongs to our country at the international level and strengthen its external image. The goals, which became national objectives, have been fulfilled and are in the process of being fulfilled during my three years in office. [passage omitted]

Specialized international agencies such as Amnesty International have recognized my government's efforts to solve the Amazon Indian communities' territorial demands. They have called government's work to attain peace in the country positive. In addition, the U.S. Government, in a document that is highly important for the democratic world, expressly recognizes that there are no political prisoners or exiles in Ecuador today. Nobody suffers political or religious persecution. There is absolute freedom of organization. The opposition to the government exercises all its rights. Freedom of the press, freedom of education, and political freedom fully prevail. The government respects the activities carried out by human rights groups whose autonomy is fully guaranteed. That is why our country has become, as never before, a hospitable place and a free rostrum for all kinds of international events.

My government adopted with independence, determination, and firmness whatever measures have been convenient or necessary in the economic and social sectors to solve the many crises that have afflicted Ecuador since the 1980's, and to eliminate or substantially reduce the main problems with the Ecuadoran economy. We started by drafting an economic emergency program that was implemented with severe discipline. We continued with a coherent sequence of measures that have yielded the expected results. The economy is—everywhere, without excluding prosperous countries—the science of shortage, in the sense that it strives to organize limited economic resources to fulfill the community's unlimited needs. Logically, this is most clearly seen in poor countries, which are afflicted by a long and acute economic and social crisis.

Consequently, our small budget, the priority allocation of resources, and the overcoming of all kinds of obstacles has been the goal that has guided our government's actions. The sudden changes which have occurred in the world let us see what lies in store for us in the next century; they compel us to prepare for new conditions at the international level. Leaders of the superpowers have just signed—for the first time in history—a treaty for the reduction of their strategic nuclear arsenals. The cold war has ended. A Boston university professor recently said that Sovietology professors in U.S. universities were preparing their lectures on the cold war when they suddenly had nothing to teach because their subject no longer existed.

Everything has happened with surprising swiftness. Ideas and institutions that seemed eternal have crumbled; and mankind, which acquired a wealth of experience given the contrasts of the political systems in conflict, seeks new options. As I recently said at the Guadalajara Summit, neither the capitalist market system nor the socialist system of a divided economy and state-owned property have proven to be perfect—and

everything seems to indicate that we are headed for a regime with a mixed economy that will be defined by each country according to its circumstances, with a dynamic private sector combined with a vigorous and efficient public sector. The challenge seems to consist of determining the most efficient mixture of the two sectors' elements, emphasizing the level of development and the conditions prevailing in each state.

My government's international policy, and within this policy, the presidential trips—at times not understood and at other times criticized by selfishness, shortsightedness, or by an inferiority complex innate to small town mentalities—have gained for Ecuador greater status in the international arena, which was one of my administration's goals since its beginning. The current times are characterized by great dynamics in international relations and by direct diplomatic contacts between heads of state. The press publishes daily reports of presidents traveling outside their borders. In the last 30 days, we have had reports of the Paraguayan president's visit to Venezuela; the Chilean president's visit to Colombia; the industrialized nations' summit in London; the first Ibero-American summit that assembled 23 heads of state in Guadalajara; the 10th Central American Summit in El Salvador; President George Bush's visit to Greece; Bush's conversations with the Turkish president in Turkey; Bush's trip to the USSR; the Chilean and Argentine presidents meeting in Buenos Aires to resolve joint border issues; the Uruguayan president's visit to Bolivia; Vice President Dan Quayle's tour of several Latin American nations; Egyptian President Mubarak's visit to Libya to talk with Mu'ammar al-Qadhdhafi to discuss the Arab-Israeli peace conference; and the Japanese head of government's visit to Peking to sign a nuclear weapons limitation agreement. Ecuador cannot be removed from this new international trend as professed by some narrow-minded, old fashioned Ecuadoran politicians.

Considering this new international trend, I decided to be present in October at the Group of Rio's discussions held in Caracas. From 1 to 7 November I made an official visit to Paraguay, Argentina, and Brazil, invited by the corresponding heads of state. It was an honor for me to represent Ecuador in the legislative assemblies and those nations' universities. I also signed trade and mutual cooperation agreements with these nations. From 27 to 30 November, at the Bolivian president's invitation, I visited La Paz where I was received by the entire Congress and by San Andres University members. During this visit, La Paz and Potosi municipalities made me, the Ecuadoran president, their guest of honor. I made an official visit to France, invited by French President Francois Mitterrand, on 18, 19, and 20 February. Besides the working sessions with the French president, the prime minister, the foreign minister, and other officials—which resulted in the financial protocol of 350 million French francs for numerous development projects in Ecuador—I was received by the Paris Municipality in full and by the Sorbonne University staff. I also went to Paris and visited the UNESCO world headquarters, which held a general meeting to listen to the Ecuadoran president. I visited the European Parliament in Strasbourg, and I participated in working sessions with the King of Belgium and his prime minister, who pardoned Ecuador's debt with that nation. I visited the EC headquarters in Brussels to speak with its president and its highest ranking officials about future trade and cooperation between the EC and Ecuador. In Bern I met with Swizerland's president and his cabinet. The visit resulted in the signing of an agreement whereby the Swiss Government states its intention to grant Ecuador a 40-million Swiss francs credit for development projects, of which 35 percent is a donation. Between 18 and 20 July I attended the first Ibero-American Summit in which 23 heads of state from Central and South America, Spain, and Portugal participated. On this occasion, I participated in working sessions with several heads of state. Among them was Felipe Gonzalez, from whom I obtained the definite approval of Spanish financing for La Esperanza Dam, which I offered to Manabi Province. I also received an offer from Gonzalez to expedite the formalities for the financial protocol's additional disbursements of $350 million, signed during my visit to Spain.

In the past year we have been honored by the visits of Chilean President Patricio Aylwin, the head of Romania Petre Roman, Colombian President Cesar Gaviria, ECLA's [Economic Commission for Latin America] Executive Secretary Gert Rosenthal, OAS Secretary General Joao Baena Soares, World Bank President Barber B. Conable, and UNESCO General Director Federico Mayor Zaragoza.

In this past year Ecuador has also had the exceptional opportunity to actively participate in international decision-making. Ecuador's election as a member on the UN Security Council—the most important body with regard to political decisions within this world organization, which we currently chair—is not only an honor, as we represent Latin America and the Caribbean, but it also represents the high responsibility shared with the great powers in the task of assuring global peace and security.

[Excerpts] The occasion is appropriate to deny what some of my opponents say in their vain efforts to discredit my administration's foreign policy—that the election of a country as member of the UN Security Council is the result of an international game of chance. There is nothing further from the truth. In fact, certain countries in Latin America and other regions have been members of the organization on several occasions while others have never been members in the United Nation's 46 years of existence. The country's democratic credentials and image and the government's international prestige represent decisive factors for the election. Those same factors allowed for our admission to the Group of Rio, which is undoubtedly the most important Latin American forum and consultation mechanism.

Thanks to the magnificent scientific research work carried out by the National Navy and other scientific

organizations since November 1990, the country ceased being an observer member of the Antartic Treaty and became an advisory member. We actively participated in the Amazon Cooperation Treaty to reconcile our countries' economic development with the protection of their ecology. Ecuador is now the headquarters for this international organization's pro-tempore secretariat. Former Finance Minister Jorge Gallardo and now current Finance Minister Pablo Becquer were appointed president of the IMF Board of Governors and the International Bank for Reconstruction and Development for the October 1990-91 period. Minister Becquer was also elected president of the OPEC Fund for International Development. Minister Plutarco Naranjo was appointed speaker for Third World countries to the World Peace and Health Conference, which was held in Stockholm in June 1991 and was organized by the WHO, UNICEF, and the world organization Doctors for Peace—which is headed by two Nobel Prize winners—[name indistinct] of the U.S. and [name indistinct] of the USSR. [passage omitted]

There is currently a growing trend toward globalization of international trade. There is a vigorous movement for the creation of economic blocs for 1992—such as the EEC; the free trade zone between the United States, Canada, and Mexico; the Group of Three, comprised of Mexico, Colombia, and Venezuela; the Andean Group, comprised of our five countries; and the South American Common Market, Mercosur, the treaty signed by Brazil, Argentina, Uruguay, and Paraguay and a group of Southeast Asia countries led by Japan. Ecuador cannot remain outside this worldwide trend and that is why we have contributed to the revitalization of the Andean Group through the establishment of the Presidential Council, which meets every six months and has assumed the responsibility of making our integration process more dynamic.

The change of helm in Galapagos in December 1989 and the decisions made in November 1990 in La Paz and in May 1991 in Caracas have irreversibly geared the five countries in the direction of a single free trade process that will begin to operate in all the countries, except Ecuador, on 1 January 1992. The process will start in our country when we reach the final phase of our import duty elimination process on 1 July 1992. In La Paz, the Andean presidents agreed to accelerate the formation of the free trade zone to 31 December 1991, to advance the automatic elimination of import duties and to impose strict time limits on the elimination of the control trade regime and reservations list. I, however, requested that I be allowed to return to Ecuador and carry out internal consultations to define our participation in the commitments that resulted from a new shift in the integration process. In what was a sober and unprecedented act in our political history, I formed eight commissions with the participation of the government, business, and labor sectors. These commissions studied the following topics: labor policy; foreign trade development; industrial development policy; agricultural development policy; tariff matters; integration mechanisms; [word indistinct] and simplification of the public sector; investment policy; and transportation, communication, and other services.

I received the commissions' final report in the first days of May. The unmistakable message was that Ecuador could not elude the irreversible integration process and that it had to prepare itself immediately to be able to enter the world's internationalization of the economies process in competitive terms. Based on this consensus, I made the final decision to enter the free trade field by eliminating Ecuadoran import duties in two phases: 50 percent on 1 January 1992 and the remaining 50 percent on 1 July 1992. I reported my decision to the presidents of the Andean countries. Currently, government officials are participating in subregional meetings to eliminate the list of reservations and controlled trade and to draw up the lists of tariffs and exceptions. Decisions on these matters must be made jointly by 31 December 1991.

I must give testimony on the Ecuadoran private businessmen and workers' patriotism and firm decision to compete in foreign markets to obtain the best possible profits from the opportunities that the increased market will yield. We need to realize that the country must prepare collectively to face the new challenges. The responsibility does not rest only on the executive branch, but also on other government branches, political parties, universities, the media, production associations, unions, and private businessmen. In summary, the entire nation must work to give a joint, not a partial, response to the international market requirements. [passage omitted]

We cannot deny that the Ecuadoran economy is still recovering from the implementation of the emergency economic program that included fiscal discipline, public spending reduction, and the government's transparent economic policy. Evidence of this is the country's main economic indicators in the past year. According to revised Central Bank statistics, the gross national product—that is, the sum of goods and services obtained in a country during an established period of time—grew by 2.3 percent in 1990. This is satisfactory if we take into account the scarcity of resources suffered by our economy since the nineties. [passage omitted]

I now want to make reference to the inflation problem. My government's goal was to bring down inflation to 30 percent but we have not been able to reach that goal yet. We have managed to decrease inflation from 99.9 percent a year—where it stood during the first days of my government due to the accelerated [words indistinct] of previous factors over the economy—to the annual rate of 46.9 percent registered at the end of July 1991. This decrease shows that my government has made great efforts in several areas. We have promoted production through credits in the Central Bank, the National Development Bank, and the National Financial Corporation. We have fought against speculation and the hoarding of agricultural and even industrial products, with our free fairs, neighborhood tents, mobile stores, and people's pharmacies. We have done so by controlling the flight of our basic products through the borders by using supply

mechanisms, price regulation under the responsibility of [words indistinct], and a monetary policy that restricts the printing of currency. In sum, this is a general and persevering struggle that must be continued by the government and all the sectors in the country. It is not an easy struggle and the entire nation must agree to continue it. Inflation is under control but we must reduce it to benefit the poor people in our country. The government's economic policy is geared to reach the goal of lowering inflation.

The conversion of the private foreign debt into a local debt turned the Central Bank of Ecuador into a debtor of foreign exchange and a creditor of devalued sucres. The extension of the deadline of the so-called sucretization of the private debt by freezing the subsidized interest rates and having the institute that issues the currency take all the exchange rate fluctuation risks are also factors that caused the Central Bank's serious financial problems. Other factors that complete the picture for the Central Bank's current financial situation are that it assumed foreign credits that belonged to the government and refinanced them at their initial maturity dates; that it was obliged to control excesses by issuing paper money; that it gave preferential credits to certain sectors in society; that it had to confront credits imposed by previous governments, sometimes even illegally; and that its bureaucracy increased inordinately. [passage omitted]

Following my government's political philosophy, the National Development Bank this year began a new credit mechanism through the Fund for Peasant Production. This fund intends to deliver financial resources, technical assistance, and training to owners of small rural production units.

The Andean Development Corporation granted a $20-million credit line to the National Development Bank to develop small industries and the arts and crafts sector. In addition, the government is negotiating an additional loan for 5 million German marks from Germany's Kredit das Bank for the fishing industry. There are other credit lines from the World Bank for small industries and the arts and crafts sector through FOPINAR [expansion unknown] and other credits for forestation.

It is important to stress that the administration of economist Jorge Davalos, the general manager of the National Development Bank, has been so successful and austere during my government that, in contrast with the usual operational losses of the past—which amounted to 1.995 billion sucres in 1987 and 3.761 billion in 1988—approximately 6.9 billion sucres in profits were registered from January to July 1991. This is unprecedented in the bank's history. [passage omitted]

Overcoming enormous financial difficulties because of the 19 billion sucres we owed to road contractors when I assumed office, the Public Works Ministry has made a total investment of 168.383 billion sucres, $38 million, and 40 million Japanese yen. These funds have been used to advance road projects already underway, begin new projects, and maintain the country's highways.

Minister Raul Carrasco, with the same devotion and capacity of his predecessor Engineer Juan Neira, has faced and overcome many financial difficulties, thus vigorously promoting public works [passage omitted]

We have made great strides in the area of telecommunications, which is one of the most important signs of progress. The Ecuadoran Telecommunications Institute [IETEL] has acquired 165,400 telephone lines for Guayaquil, Quito, Manta, Portoviejo, Tulcan, Ibarra, Ambato, Loja, Otavalo, (Cayan), (Demachati), Cumbaya, Tumbajo, and 32 rural towns.

In the next few days we will sign contracts to acquire another 114,000 lines for Riobamba, Esmeraldas, Santo Domingo, Latacunga, Milagro, Babahoyo, La Libertad, Salinas, Pasaje, and 18 other cantons throughout the country, and 16 rural areas in region two.

This means that in the past year, from August 1990 to July 1991, we acquired 279,000 telephone lines, besides those previously acquired by my administration, which finished the construction of and presented to the country the Guayaquil ground station, which offers telephone, data transmission, and satellite television services. This will make Guayaquil independent in the area of telecommunications. This is one of the most important works carried out to bring progress to Guayaquil.

I could say the same for the ground station in Galapagos, whose construction will soon be concluded, and the microwave network that will link us with the continent and abroad.

It is important to point out that IETEL, under the skillful management of Engineer Marcelo Lopez, has carried out an overall restructuring of the country's telecommunications through the installation of a digital microwave system in several cities. This system will be gradually expanded to other cities and will very soon upgrade the quality of our national and international service. [passage omitted]

The structural, administrative, and technical changes done in Petroecuador and the handling of the different phases of the hydrocarbon industry by Ecuadoran technicians have yielded positive results for the country in accordance with the principles of my government's oil policy, which is deeply committed to the national interest.

During the period between August 1990 and June 1991, a total of 37 exploratory oil wells were drilled for progress and development. Approximately $6.6 million were invested in the preparation, processing, and preprocessing of 3,588 km of seismic lines. The production of oil in this period was 105.4 million barrels, which represents an increase of 13.2 percent with regard to the same period last year.

Investments reached $17.3 million for an accumulated investment total of $474.2 million following the service

contracts that were signed. This means 124 percent of the commitments were met with regard to those commitments that had originally been made with the different firms. Petroindustrial invested 13.248 billion sucres in the use of refineries and gas plants. It was able to save $9.9 million during the year because of substitutions in the import of liquified gas and the optimization of refining operations.

The production of by-products in the country's plants was 42.9 million barrels. A year ago, Petrocomercial initiated the construction of the system of multiple pipelines on the coast. The system will be composed of the Libertad-Pascuale pipeline, which is 128-km long; the Libertad-Manta pipeline, which is 170-km long; and Santo Domingo-Pascuale, which is 175-km long. The project intends to create an efficient, safe, and reliable transportation system for the fuels needed by Ecuadoran coastal regions. An average of 40 percent of the project has been completed and we believe it will go into operation in February 1992.

Just as I said here a year ago, the historic decision to transfer to Petroamazonas the operation of the petroleum consortium has yielded fruit for our country. It has contradicted the bad omens in the Ecuadoran capabilities.

It is important to note that it is the firm conviction of the government to include all stages of the oil production process in the environmental plan so as to protect the ecological balance of the fragile regions in which this productive activity is taking place. It is fair to point out my government's appreciation for the actions taken by Engineer Luis Roman, managers of the different branches, and the other officials, employees, and workers of Petroecuador.

As for the mining sector, to overcome the shortcomings of the past, which prevented this activity from being carried out because of a lack of efficient, up-to-date laws, my government assumed the responsibility to provide the country with a law that can promote the development of mining activities, full of opportunities and potentials.

This activity now has the proper laws that will boost the modernization, the rationalization, and the development of mines and it will also organize the productive areas and will guarantee—in the framework of techniques and discipline—the activity of small miners.

The Energy and Mines Ministry, under the previous efficient administration of Engineer Diego Tamariz and the current administration of Engineer Donald Castillo, expanded the outlook for mining exploration and development in an area of 1,231,857 hectares.

Since I informed the parliament a year ago that the electrification plan implemented by my government was making progress in its five great programs, INECEL [Ecuadoran Institute of Electrification] has invested 19.078 billion sucres plus $29 million in projects for the generation, transmission, subtransmission, and distribution of electric power, which has allowed us to incorporate 272,000 residents in the entire country, especially those in rural and peasant areas, into the benefits of electricity.

I am pleased to announce that the first of the five hydroelectric plants of Phase C of the (Paute) Project will begin operating this month. The four remaining plants will begin successively operating until January 1992 with a combined power of 575,000 kilowatts. So that you and the country can have a better idea of this figure, I must point out that once Phase C is completed, we are going to more than double the generating capacity of the (Paute) Project because we are going to go from our current 500,000 kilowatts to 1.075 million kilowatts. We are going to increase the total production of electric power in the country by more than a third. INECEL's great programs are constantly making progress. The programs include the national interconnection system, in which we have invested 8.291 billion sucres plus $27 million; the regional systems, in which we have invested 8.293 billion sucres plus $550,000; the small hydroelectric plants, in which we have employed 665 billion sucres; the improvement of the electric system, in which we have invested 589 million sucres plus $417,000; and the rural electrification program, in which we have invested 1.038 billion sucres plus $756,000.

The National Armed Forces, under the authority of the president of the Republic and under the severe and firm leadership of the defense minister, the joint command, and the three field commanders, have fulfilled their civic mission to safeguard the national sovereignty, to defend the state's integrity and independence, to guarantee its legal order, to cooperate in the country's economic and social development, to contribute to the preservation of peace and the internal order, and to help fight crime and drug trafficking.

My administration, for its part, has surrounded them with all the necessary respectability. It has promoted their professionalism. It has modernized their laws and provided them with the necessary wherewithal to allow them to do their duty.

I wish to point out specifically that the Armed Forces, in compliance with their constitutional obligation to cooperate in the country's social and economic development, have participated actively in the implementation of forestry and reforestation programs, health programs in the most isolated areas, the free distribution of medicines, and support for education programs in the Indian communities of Imbabura, Cotopaxi, Tungurahua, Chimborazo, Canar, and the Amazon region, through the construction and improvement of classrooms, services by military teaching personnel, the delivery of instructional materials, and the provision of agro-industrial advisory services. [passage omitted]

Despite fiscal limitations, my administration has made great efforts to give the National Police the equipment and resources that allow them to fulfill their mission

effectively. We are striving to make the policeman a friend of the citizen, to get citizens to trust policemen, and to have the institution protect citizens' rights, freedom, and peace.

Legislators, listen carefully. I want you to listen to me carefully. I want the Ecuadoran people to listen to me. It has been said that Ecuador has no public works. This is repeated daily by my political adversaries, and I am going to respond to this lie, because the truth also has the right to be heard.

In three years, my government has invested in 2,403 infrastructure projects throughout the country, for a total sum of 1.373 billion sucres, in other words, a billion plus 373 million sucres, a figure that is even difficult to comprehend because of its enormity. [passage omitted]

I already said, when I was sworn in, and I repeat now, bolstered by the testimony of the facts: I do not belong to any pressure group. I have no debt to vested interests. My only commitment is to Ecuador.

Although my intention was always to do the right thing, I may have been wrong at times. To be wrong is the privilege of those who act, not those who spend their lives in pure apathy. However, even at those times my thinking was directed toward the general interest, not toward serving the convenience of a group. [applause, crowd shouts slogans]

In Ecuador, as in all the world's countries, conflicting interests fight and compete with each other. There are legitimate interests on both sides. Nevertheless, all of them seek government support and strive to have government decisions lean in their favor. This is normal. What is abnormal is for a government to neglect the interests of society and accommodate the convenience of private individuals to the detriment of social interests. Those who proceed in this way are, by definition, oligarchic governments.

I assure you legislators that nothing or no one has been above my self-imposed obligation to put public interest before any other consideration. This same attitude has inspired the actions of the great team of patriots who accompany me in the honorable responsibility of leading the country, patriots to whom I express my profound appreciation. [applause, crowd shouts slogans]

Ecuador is advancing by the efforts of all. It is a country full of natural human possibilities. We have a people who are full of ideas and initiative. The future will be ours to the extent that we are able to control it. For my part, I will fulfill my duty to exercise power fully, up to the last minute of the mandate given to me by the people. Government plans will be carried out without any interruption. [applause]

I will then relinquish power, with republican pride and satisfaction, to whatever citizen the Ecuadoreans will have chosen to govern during the next presidential term. Ecuadoran people, this is the message of confidence in the future that I send to you on this occasion. Thank you, gentlemen.

Paraguay

Nation Observes Soviet Coup, Ponders Relations

Foreign Minister Views Turmoil

PY1908185291 Asuncion RPC Television Network in Spanish 1650 GMT 19 Aug 91

[Text] The Paraguayan Government has reacted cautiously to the events in the Soviet Union. Foreign Minister Alexis Frutos Vaesken addressed the issue.

[Begin recording] [Frutos] I am also compelled to comment on the change... [changes thought] on the news that was waiting for us when we woke up today. I mean the ouster, the coup d'etat, since we could hardly call it anything else in view of its characteristics, in the Soviet Union.

[Unidentified reporter] What is the position of our government toward the events in the Soviet Union?

[Frutos] Our position must naturally be cautious, we must wait and see what happens. Apparently these developments will put an end to the liberalization process in the Soviet Union which will imply restrictions on the liberties and basic human rights which were gaining strength there. It seems that there has been a reaction from conservative forces to the possible disintegration of the Soviet Union because of exacerbated conflicts between nationalities and the radical economic and political changes that were taking place.

Although these events took us by surprise because they happened so quickly, they were not an entirely unexpected consequence of the liberalization process that Gorbachev was carrying out. There was an international fear that a reaction of this nature could take place. Now we have to see how far will this go. We have to see whether this is a return to the past, which I believe extremely unlikely, or just a slowing down of this process of changes. In any case the USSR is going through difficult, crucial times. We all know that its economy is in trouble and that at some point they will need international help. Let us wait and see what happens. [end recording]

Ouster Could Harm Relations

PY1908222091 Asuncion ULTIMA HORA in Spanish 19 Aug 91 p 11

[Text] Paraguayan Foreign Minister Alexis Frutos Vaesken described the political events in the Soviet Union after President Gorbachev's ouster early this morning as a "serious step backward." He said: "This fact was among the possible reactions of the conservative forces," adding that it could delay the restoration of Paraguayan-Soviet relations.

Frutos Vaesken said Gorbachev's ouster was not beyond possibility but that, anyway, this is a regrettable incident. He added that this fact was a step backward in the process to free and consolidate public freedoms and respect for human rights that was under way in the

Soviet Union with the implementation of perestroyka, whose main leader is Gorbachev.

He ruled out the possibility that Gorbachev's ouster has to do with an alleged disease. "He ruled out this possibility because the incident has the characteristic of a coup d'etat."

Frutos Vaesken also stated that events in the Soviet Union will not encourage reactionary forces in Paraguay and other Latin American countries. He said: "I believe Latin America is far away from those events. But we have to closely follow the Soviet Union's new internal and external policy. I make it clear that I do not fear that this event will encourage reactions against democracy in Latin America."

Asked about the effects these events could have on future Paraguayan-Soviet diplomatic relations, considering that he was scheduled to meet his Soviet counterpart in September, Frutos Vaesken said that it will depend on the development of political events in the USSR.

"We have to wait to see what happens to determine how this project on resumption of relations will be affected. I note, however, that President Rodriguez supports the resumption of diplomatic relations." He added that for the time being the Foreign Ministry will not issue any statement on these events.

Senate President Expresses Shock

PY1908225291 Asuncion ULTIMA HORA in Spanish 19 Aug 91 p 12

[Text] Senate President Gustavo Diaz de Vivar said this morning that he was "shocked and astonished by the fact that in a great country like the Soviet Union, which chose freedom and the state of law, its leader, Mikhail Gorbachev, who implemented a liberalization policy, was suddenly overthrown by a coup."

Diaz de Vivar said he is not aware of the details of events taking place in the Soviet Union, but he added: "I am overwhelmed by the idea that the world may suffer such a new, big blow in its relations. It seemed like the developed world was on the road to freedom and the state of law. It is obvious that a state of law also needs economic development, which is an essential element in the people's demands. That economic process stagnated through the faults of the regime itself, which did not allow the people to have the standard of living they deserve."

Diaz de Vivar added: "Anything that occurs in big countries like the Soviet Union, the United States, Japan, Germany, and other countries does have a repercussion on the other countries of the world. It is obvious that these countries are the ones that show the others the road men should follow in their search for freedom and a better standard of living. I would like to have more information on the events taking place in the Soviet Union but now I am astonished by the events. In addition to the reaction of Western world leaders, we should wait to see how the Soviet people react."

Official Sees No Change in Trade

PY2008020291 Asuncion ULTIMA HORA in Spanish 19 Aug 91 p 12

[Text] Nicolas Ermakoff, president of the Paraguayan-Soviet Chamber of Commerce, told ULTIMA HORA this morning about the change in the Soviet Government and its possible consequences: "Perestroyka is an irreversible process. That process cannot be changed. The Soviet people want an opening toward the West. I believe that the current event is a change of leadership that will definitely not affect the development of current relations. Maybe this event will speed up relations, I do not know..."

Ermakoff said trade relations will not be affected at all. He said: "Trade will not be affected at all. The diplomatic aspect will probably be evaluated later. I do not know; I cannot comment on this issue because it is not my specialty. What I can say is that trade is important, therefore, I do not believe the current event will affect the progress made so far."

Regarding the Soviet internal situation, he said: "In the Soviet Union there are 'hard'-liners who are now returning to power and have the Communist Party as the center of their system. The others are the 'soft'-liners. The hard-liners probably want to centralize their entire system again. This is why the change was made. We will see what decisions are made in the future."

He pointed out that a step back cannot be made on the progress already made. He added: "Perhaps the changes will be slower. Perhaps there will be a new reorganization, but life must go on."

Regarding his visit to Moscow, he said: "Life in Moscow goes on with austerity but not misery. The percentage of the very poor is very low. In the places I visited, I practically did not see any misery."

Government Closely Watching Events

PY2008021491 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 2345 GMT 19 Aug 91

[Text] The Paraguayan Government is being very cautious about the situation in the Soviet Union. The president has said Paraguay will closely follow all reports in order to get an overall picture of the situation.

President Andres Rodriguez was interviewed by journalists this morning at the end of his daily activities [at Government House]. Answering a question on whether the government already has adopted an official stance on today's events in the Soviet Union, Rodriguez said:

[Begin recording] [Rodriguez] I decline to issue an opinion on this matter yet because we still must observe the development of events that we deeply regret. I hope you will excuse me, but we cannot yet issue an opinion in this regard.

However, we will be alert and closely follow all reports we are receiving in this regard. We will surely issue an opinion at the proper time.

[First reporter] Mr. President, have you already contacted other Latin American presidents to discuss this issue?

[Rodriguez] No, not yet. I know that the Argentine and Brazilian presidents are holding a meeting right now and that they are discussing and exchanging views on the situation, only that. But nothing has been defined.

[Second reporter] Do you believe this signifies a step backward in the opening process we are currently experiencing at the international level?

[Rodriguez] This is precisely what we are trying to establish as the situation develops. It may be one way or the other. [end recording]

Further on Sale of BCCI Branch to Businessmen

PY1908141491 Asuncion ABC COLOR in Spanish 18 Aug 91 p 8

[Excerpt] According to information obtained yesterday, a group of Paraguayan businessmen are still negotiating the purchase of the Bank of Credit and Commerce International (BCCI). This information contradicts the rumor started in Buenos Aires on 16 August according to which the BCCI branches in Asuncion and in Buenos Aires had been transferred to a Chilean-Uruguayan group.

The Paraguayan businessmen last December allegedly signed a preliminary agreement with the BCCI Grand Cayman Islands headquarters (the BCCI has another headquarters in Luxembourg) which is run by oil dealers of the United Arab Emirates. According to this preliminary agreement, the agreed price of the BCCI branch in Paraguay was $2.6 million, of which a down payment of $400,000 has been deposited in the Grand Cayman Islands. [passage omitted]

Peru

Foreign Ministry Issues Communique on USSR

PY2008031891 Madrid EFE in Spanish 0241 GMT 20 Aug 91

[Text] Lima, 19 Aug (ANDINA)—Concerning events in the Soviet Union, the Foreign Ministry has released the following communique:

Official Communique No. 20/91

Regarding events in the Soviet Union, Foreign Minister Carlos Torres y Torres Lara has expressed the Peruvian Government's deep concern and its fervent desire that the new situation created by the establishment of a new government in the Soviet Union will not mean a disruption of the Constitution and will not affect its political stability.

The Peruvian foreign minister added that Peru, as well as the other Latin American countries and the international community, expresses the hope that there will be no substantial changes in the Soviet foreign policy and its commitment in favor of democracy, peace, and disarmament in East Europe.

Torres y Torres Lara concluded by stressing the need to maintain dialogue and the policy of detente established between the Soviet Union and the United States as a guarantee that the cold war has definitely been overcome.

Lima, 19 August 1991.
[Signed] Foreign Ministry Press Department.

Uruguay

Government Issues Statement on Soviet Events

PY2008013691 Montevideo Radio Carve in Spanish 0000 GMT 20 Aug 91

[Text] The Uruguayan Government has issued an official statement expressing hope that events in the Soviet Union will not mean a step backward in the process of changes in that nation. The statement was read by Foreign Minister Hector Gros Espiell.

[Begin recording] The Government of the Republic of Uruguay is following with deep concern and great attention the development of events taking place in the Soviet Union.

The Uruguayan Government hopes that these events will not mean a step backward in the process of detente, nor a return to international situations that had been overcome—especially referring to the situation in Europe and to the progress achieved in matters of security and disarmament. Regarding the treaty on the reduction of strategic weapons, the Uruguayan Government stresses the need for international commitments to be fully respected.

These agreements are in the interest of the international community as a whole, and so the agreements achieved must be considered final.

The Uruguayan Government hopes for the full recovery of President Gorbachev's state of health, and that his personal physical integrity will be fully respected. [end recording]

Venezuela

Reportage on Recent Upheaval in Soviet Union

Ministry Issues Communique

PA2008004191 Caracas Venezolana de Television Network in Spanish 0002 GMT 20 Aug 91

[Text] Here in Caracas, the Foreign Ministry has issued an official communique in which our government expresses its deep-seated concern and alarm over the

events that have occurred in the USSR and calls for reflection on the part of the entire international community.

The official communique was read by acting Foreign Minister Rosario Orellana this afternoon at the Miraflores Palace. In the communique, the high-ranking official emphasized that the Venezuelan Government had been closely following the in-depth changes that took place in the USSR and Eastern Europe—changes that she said generated great expectations among all peoples who love peace, freedom, and democracy. She said that those changes also undeniably helped to create a climate of optimism in international relations that was divorced from the cold war strategems which, the minister said, caused so much tension and sacrifice.

[Begin Orellana recording] In light of these circumstances, the Venezuelan Government joins its voice with those of all the world's peoples who hope that this undoubtedly retrogressive attempt to make changes outside the Soviet Constitution will not prosper and that instead, there will be advancement of the process inspired by perestroyka for the benefit of the Soviet nation and the international community. [end recording]

The acting foreign minister reported that our country is in permanent contact with the Venezuelan Embassy in the USSR and with our other diplomatic missions in Eastern Europe.

Soviet Official Views Situation

PA2008014691 Caracas Venezolana de Television Network in Spanish 0004 GMT 20 Aug 91

[Report by Martin Pacheco]

[Excerpts] Here in Caracas, the Soviet Embassy has been in constant contact with the Soviet Foreign Ministry to receive the necessary instructions related to the upheaval that is taking place in that country.

The Committee for the State of Emergency that is headed by new Soviet President Gennadiy Yenayev has full powers to lead the Soviet state. Soviet Ambassador to Venezuela Vladimir Goncharenko is in Moscow on vacation, but press attache (Alexey Gulichev) explained, on the basis of the first official declaration made by his Foreign Ministry, that Gorbachev was replaced because, as a result of his initiatives, a death threat has been looming over the USSR since the policy of reform has come to an impasse.

[Begin (Gulichev) recording, in progress] ...initiative, and the situation in my country was very critical. We have also spoken of that, right? It is not news today. It has been known for the past week, month, or two months that the economic situation was very difficult and that unfortunately, the reforms that had been made had not had the result that we all hoped for. [end recording] [passage omitted]

[Begin (Gulichev) recording] It is also very important, especially in the international context, that it be very clearly said that all international commitments and agreements made by the USSR will remain in force and the leadership will continue to adhere to all those agreements and commitments. [end recording]

The spokesman for the Soviet Embassy said repeatedly that he would hold back any further details. Nevertheless, he insisted that the events will not generate unsurmountable situations in his country. He emphasized that no public demonstrations are expected.

[Begin (Gulichev) recording] For the moment, the information that we have received indicates that the situation in the USSR remains normal. There have been no violent disturbances or anything of the kind. In other words, it is a normal process based on the constitution. For the time being, I would not describe this process as being a cause for great concern. [end recording]

The situation then, is one of suspense. The latest instructions received by the embassies, including of course, the Soviet Embassy in Venezuela, is that they should await special communiques from the Soviet Foreign Ministry within the next few hours.

Perez Sees Events as 'Detrimental'

PA2008020191 Caracas Venezolana de Television Network in Spanish 0008 GMT 20 Aug 91

[Text] Regarding the Soviet events, President Carlos Andres Perez has said that he hopes the situation will not be compounded and that the Soviet people and the country's Armed Forces will reach an understanding so as to permit a continuation of the process in which all peoples have placed their hopes.

[Begin Perez recording] We are distressed by the fact that this situation has arisen without complying with the requirements of the Soviet Constitution. It is apparently a coup, which would be detrimental to the entire world because all men and women in the world had viewed with interest and satisfaction the progress of perestroyka that would have brought the USSR complete democracy and an understanding with all the world's peoples. The East-West confrontation had ended and been replaced by perestroyka. [end recording]

Guyana

Voters' List To Be Posted Next Week

FL1708113591 Bridgetown CANA in English 2215 GMT 16 Aug 91

[Text] Georgetown, Guyana, Aug 16, CANA—Guyana's long-awaited preliminary voters' list, key to the timing of general elections due by yearend, are being completed this weekend for posting for public scrutiny from next week. Elections Commission Chairman Rudy Collins told CANA Friday the list is being "produced" this weekend and will be officially declared ready after it is posted at each of 900 centres countrywide, possibly by next weekend.

The official Guyana Public Communications Agency (GPCA) reported that the commission will next week receive the first copies of the list, compiled after a

three-month nationwide enumeration lasting until May 17. The GPCA said the objections or claims with regard to the list may be made over a 28-day period ending September 23, and that a final list is expected to be posted during the first week of October.

Under a constitutional amendment introduced by the government of President Desmond Hoyte to extend the life of parliament and work on the list, when Hoyte is informed of the completion of the final list by the Elections Commission he is required to name the date for general elections. Elections were originally due by May this year but a faulty voters' list extracted by computer from the National Register last year led to the fresh enumeration by the National Registration Office to prepare an accurate list.

The government, saying the remaining life of parliament was too short to complete the preliminary list, in March brought a constitutional amendment to allow a series of two-month extensions of parliament until September 30, 1991, at the latest. The governing People's National Congress (PNC) majority in parliament, over the protests of opposition parties, has since backed three two-month extensions of the life of parliament, the third expiring September 30.

In anticipation of the publication of the preliminary list, the Elections Commission has announced the waiver of fees for filing claims or objections with regard to omissions or incorrect inclusions.

The elections here, the most open since 1964 after reforms made by Hoyte in the face of opposition charges of irregularities in past polls, once were thought likely to be held last December, in keeping with a trend of December election dates from the PNC. During the delay caused by the faulty list, opposition parties here accused the government of seeking to postpone the elections as long as possible to allow stringent economic reform measures here to begin to show benefits, and have suggested a December 1991 poll is now likely.

WPA on Single Opposition Slate in Elections

FL1608125591 Bridgetown CANA in English 1209 GMT 16 Aug 91

[Text] Georgetown, Guyana, Aug 16, CANA—The opposition Working People's Alliance (WPA) says that a single opposition slate is the best way to confront the ruling People's National Congress (PNC) in general elections expected by year-end. Dr. Rupert Roopnarine, WPA co-leader, claimed that the PNC was "bent" on rigging the elections and a single slate remains the best option for the opposition. The PNC has repeatedly rejected claims it has rigged or is planning to rig general elections.

"The WPA remains committed to this idea (of a single slate of candidates) and are assessing day by day the progress of the electoral reforms and should we reach the conclusion before nomination day that the reforms are either not adequate to guarantee free and fair elections, or the reforms are being stalled, then the WPA will renew its search for a single slate to confront the PNC," Roopnarine told CANA.

Roopnarine, also prime ministerial candidate for the party, said the WPA was "not convinced that the possibilities for such a slate have been completely exhausted and that remains our main pursuit." Talks between the WPA and other Patriotic Coalition for Democracy (PCD) parties were aborted late last year after parties failed to agree on a consensus presidential candidate.

Reports of a WPA/Guyanese Action for Reform and Democracy (GUARD) third slate coalition have surfaced recently, but a GUARD insider said that a coalition is unlikely unless Roopnarine gives up his number two slot on such a slate. "At the moment, the party is very disinclined to divert its energy from the work it is doing in relation to its own election campaigning in what may turn out to be another very frustrating search for a unified slate," the university lecturer told CANA.

The WPA leadership, Roopnarine said, is completely committed to keeping the door for a single slate open on one hand and to continue doing its own work to put it in a position to win the elections on the other hand.

The main opposition People's Progressive Party (PPP) has closed the door on a possible opposition alliance and is to go it alone at the coming election. PPP leader Dr. Cheddi Jagan said at his party's congress last month that the PPP's decision came after some "unrealistic" demands from other opposition parties.

Wage Talks Resume; Unions Anticipate 'Stalemate'

FL1408220191 Bridgetown CANA in English 2123 GMT 14 Aug 91

[Text] Georgetown, Guyana, Aug 14, CANA—A 14-man delegation mounted by Guyana's trade unions is to resume wage talks with the government on Friday. Trade, Industry, and Tourism Minister Winston Murray is deputising at the talks for Finance Minister Carl Greenidge who is overseas.

The unions are negotiating for a daily minimum wage of Guy307 dollars, worth U.S. 2.47 dollars. The current minimum wage is Guy64.55 dollars (52 U.S. cents). Talks between the administration and the unions have ended in stalemate so far.

The finance minister was expected to put forward in writing the level of the "substantial" wage increase the administration has promised workers in the third quarter of this year, but the unions left the last meeting tight-lipped and empty-handed.

Komal Chand, president of the Guyana Agricultural and General Workers Union (GAWU), said last week that government figures released to the unions show that the economy has incurred a Guy1.3 billion dollar deficit for the first six months of 1991 and is not expected to improve significantly over the second half. Chand told CANA that any increase based on the economy's performance will be a "pittance" because of its poor performance. State President Desmond Hoyte two weeks ago

said that the Guyana economy is expected to grow by nearly four percent this year after recording years of negative or insignificant growth.

"The trade union congress is not inflexible in its demands," Chand said.

With general elections due by year-end, the unions feel that the government will stall talks until around September/October before handing out its own increase.

Nation To Host Wildlife Research Center

FL1908112591 Bridgetown CANA in English 2102 GMT 18 Aug 91

[Text] Geneva, Aug 18, CANA—A joint programme, backed by a U.S. 755,000 dollar contribution from the Royal Bank of Canada, will develop a centre in Guyana to study, document, and promote conservation of tropical plant and animal life, the World Wide Fund for Nature (WWF) reported. The centre for the study of biological diversity is being developed by WWF-Canada, WWF-U.S., the Smithsonian Institution, and the University of Guyana.

WWF, headquartered in Switzerland, will use the contribution to finance the construction and operation of the centre in Georgetown, Guyana, and later smaller field stations to document and preserve nature, and promote the conservation of biological diversity, the current bimonthly WWF newspaper said.

"Guyana is one of the few tropical countries left in the world where conservation can still be integrated into the country's plans for development," said Jane MacKnight of WWF-U.S., part co-ordinator of the project.

Smithsonian and the University of Guyana have been studying Guyana's vegetation since 1984 and the scope will now expand to all land and water plants and animals, with the prospect of later including neighbouring Suriname and French Guiana.

The newspaper notes that Guyana's 215,000 square kilometres, populated by fewer than a million people, contain a variety of flora and fauna which can still be protected in the face of a real threat from expanded natural resource extraction, including bauxite and gold mining.

"There is little development in the interior of the country so the greater part of the native flora and fauna remains undisturbed. Eighty-four per cent of the country is covered by lowland tropical rainforest, containing an estimated 1,000 valuable timber-yielding species.

"...Between 7,000 and 10,000 species of flowering plant can be found in Guyana and its neighbours Suriname and French Guiana, of which 50 per cent may be endemic," WWF reported.

"The country is often a haven for threatened animals," it said, adding that more than 1,100 species of animals have been recorded while their populations remain uncertain due to the lack of wildlife censuses.

The north-western coast is "an important nesting site" of the endangered hawksbill, leatherback, olive ridley, and green sea turtles, while the large harpy eagle appears "relatively secure" in parts of the country despite its threatened extinction in a wide area of the Americas.

"However, without urgent conservation efforts, Guyana will not remain pristine for long," WWF warned. According to the fund, current proposals for major expansion of timber cutting, and bauxite, gold, and diamond mining threaten thousands of plant and animal species some of which are "undescribed by scientists."

"Yet there is still time to work with the government of Guyana to make recommendations for protected areas and sustainable use of the rain forests, and to survey the country's flora and fauna," WWF-U.S. officer Jane MacKnight said.

UK Government Grants Aid in Petroleum Products

FL1708144291 Bridgetown CANA in English 1417 GMT 17 Aug 91

[Text] Georgetown, Guyana, Aug 17, CANA—The British Government has agreed to give Guyana 3.9 million pounds sterling worth of petroleum products over the next two months, the state Guyana Public Communications Agency reported. The money will provide supplies of petrol, diesel and fuel oil. It forms part of the British Government's aid programme for Guyana under the Economic Recovery Programme (ERP) launched by the Desmond Hoyte administration two years ago.

The local currency generated from the fuel sales, using an exchange rate of 180 Guyana dollars to one pound sterling, is to be given the administration, a statement from the British High Commission said this weekend. The first shipment of the fuel is scheduled for September 3, with five further shipments within a month of the first one. The High Commission said that the aid will release hard currency for circulation here for other purposes and ensure adequate supplies of petroleum products.

Suriname

Army Withdraws Troops From Conflict Region

PA1708015891 Paris AFP in Spanish 0049 GMT 17 Aug 91

[Text] Paramaribo, 16 Aug (AFP)—The state's SURINAME NEWS AGENCY reported today that the Surinamese Army has withdrawn its troops from the mining town of Moengo, in a region where some of the most important combat between government and rebel troops has taken place. The government's decision is part of its demilitarization campaign, the news agency reported.

Moengo, in the country's southeast, had been under military control since August 1990, when Jungle Command rebels led by Ronny Brunswijk put an end to martial law. [sentence as received]

In March, Brunswijk and Army Commander Desi Bouterse agreed to end the hostilities to create an atmosphere suitable for May's scheduled elections. A formal peace agreement, however, was not signed then.

Secret peace talks are going on right now between the Army and the four rebel groups that exist in Suriname: the Jungle Command, the Tucayana Amazonas, the Mandela, and the Anguila.

The people of Moengo have reacted to the Army withdrawal with mixed feelings. Some fear that the climate of insecurity in which they had to live prior to the arrival of the military will return.

This year, the bauxite production of Suralco, a bauxite enterprise, returned to normal. In previous years it was repeatedly interrupted as a result of the clashes that took place in the region.

Kraag Leaves To Receive Treatment in Netherlands

PY1608101091 Paramaribo Radio Suriname International in English 1730 GMT 16 Aug 91

[Text] President Johannes Kraag today leaves for Holland, where he will receive medical treatment. The trip by the head of state was planned earlier, but was postponed for unknown reasons.

The president, who will receive eye treatment in Holland, will be out of the country for two weeks.

Vice President Jules Wijdenbosch will replace the head of state and is expected to further coordinate the peace talks. The negotiations in the framework of national reconciliation started some weeks ago and are chaired by President Kraag.

The head of state leaves today.